Daily Report

East Europe

FBIS-EEU-92-216
Friday
6 November 1992

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Hungary

President Arpad Goncz expressed thanks to President George Bush for his "outstanding personal role in initiating and organizing U.S. and international support to Hungary...and promoting an unprecedented development in Hungarian-U.S. relations," MTI reports. Goncz also congratulated President-Elect Bill Clinton and expressed the conviction that "Clinton would succeed in solving the tasks set for himself."

Albania

Tirana Radio reports that President Sali Berisha sent President-Elect Bill Clinton a telegram, which said in part: "It is a special pleasure for me to send you my best wishes and warmest greetings on the occasion of your election as president of the United States of America. Your victory was a fulfillment of the U.S. electorate's desire for profound social and economic changes." He also noted: "It is my deep desire and conviction that we strengthen and preserve relations between both our countries through cooperation with the new administration in Washington."

Slovenia

Lubljana radio reports that President Milan Kucan sent a congratulatory message to President-Elect Bill Clinton. The message expressed "the conviction that cooperation, understanding, and friendship between the two countries will continue in the future."

Yugoslavia

Federal—In a statement carried by Belgrade radio, President Dobrica Cosic told journalists that the world community has "not shown adequate understanding" for Yugoslavia, which he called "a kind of concentration camp." Saying that "there are demands that we cannot meet," Cosic asserted that his government "cannot stop the war" in Bosnia-Hercegovina and "is not responsible for its outcome." Cosic also called Croatia the "only aggressor" in Bosnia-Hercegovina and renewed his offer to have UN observers monitor the Yugoslav-Bosnian border.

Bosnia-Hercegovina

Zagreb radio reports that Serb, Croat, and Muslim representatives "have not made any progress" in their talks on a UN plan for the demilitarization of Sarajevo. The talks were halted after the Serb representative "was taken ill" and Croatian and Muslim delegates "refused to accept" his replacement.

Berisha Sends Election Greetings to Clinton

AU0411202092 Tirana Radio Tirana Network in Albanian 1830 GMT 4 Nov 92

[Telegram from President Sali Berisha to U.S. President-Elect Bill Clinton on 4 November; place not given]

[Text] Honorable Elected President,

It is a special pleasure for me to send you my best wishes and warmest greetings on the occasion of your election as president of the United States of America. Your victory was a fulfillment of the U.S. electorate desire for profound social and economic changes in your large country and its confidence that with your individual character and program, you can fully accomplish these changes and further develop the American dream.

With the 3 November verdict, the U.S. people expressed their desire to see changes in their country. They expressed their great confidence in your ability to govern. I think that their confidence is appropriate. I also believe that you will know to affirm the U.S. leadership throughout the world during this period that is characterized, among other things, by instability.

After the collapse of communism in my country, relations between Albania and the United States immediately developed. I am grateful to the United States either for the assistance given during the rise and development of the democratic government or for the support during the governing period by the new democratic government. During the short period since the normalization of relations with the United States, we have achieved many results in our cooperation with the United States and many U.S. residents and we will continue our efforts to do so. I believe and hope that the development of the relations of friendship and cooperation between the Republic of Albania and the United States of America will continue to be further increased with your arrival to the White House. Albanians see the representative of a large democratic country in the figure of the U.S. President. A strong United States is a guarantee for the success and development of democracy and rights in Albania and all over the world.

It is my deep desire and conviction that we strengthen and preserve relations between both our countries through cooperation with the new administration in Washington.

Yours sincerely,

Sali Berisha.

'More Active Policy' Expected With Clinton

AU0411193592 Tirana Radio Tirana Network in Albanian 1830 GMT 4 Nov 92

[Text] Democratic Party Chairman Eduard Selami, who participated as an observer during the U.S. elections, stresses in an interview that the new Clinton administration is expected to pursue a more active policy in the Balkans and that bilateral relations will continue to be as good as they were during the Bush administration.

People's Assembly Approves Trade Code Bill

AU0511205692 Tirana ATA in English 0924 GMT 5 Nov 92

[Text] Tirana, November 5 (ATA)—The People's Assembly reviewed the draft law on Trade Code on November 4.

This sitting was chaired by the Deputy Chairman of the People's Assembly Shaqir Vukaj, chairman of the parliamentary group of the Socialist Party. He protested against the removal of the busts to Ndrec Ndue Gjoka and Bardhok Biba in the town of Rreshen. Ndue Gjika, deputy of the Democratic Party, said in regard to this that all the political forces, except the Socialist Party and the veterans, agreed to do this as they are symbols of the class struggle.

Then the Assembly examined the draft law on Trade Code. The deputies endorsed it in principle. The Deputy Fehmi Abdiu proposed to change the nomination of the draft law from the draft law on the Trade Code into draft law on provisions of the Trade Code. The other deputies too supported this proposal. This part of the draft law includes general provisions which determine the trade activity of the trader and craftsman. Of particular significance is the chapter on the trade register.

Meksi Chairs Commission To Draft Constitution

AU0511205992 Tirana ATA in English 0927 GMT 5 Nov 92

[Text] Tirana, November 5 (ATA)—The commission for drafting the draft constitution of the Republic of Albania convened on November 4 before noon. It was chaired by Premier Aleksander Meksi, chairman of this commission. Although the material submitted by a working group comprised the first part of the constitution, the meeting held a constructive debate to draft a qualitative constitution in compliance with the specific features of our country and contemporary standards of a modern juridical state.

In order to accelerate the work, the commission appointed a working group to draft the structure of the draft constitution,which will be submitted in another meeting of this commission.

Ganev Predicts 'No Change' in U.S. Balkan Policy

AU0611085492 Sofia BTA in English 0834 GMT 6 Nov 92

[From the press review]

[Excerpt] Sofia, November 6 (BTA)—[passage omitted] The trade union daily TRUD carries an interview with Foreign Minister Stoyan Ganev. No change in the current U.S. policy towards Bulgaria seems likely after the presidential election, Mr. Ganev says. "I do not think Mr. Clinton's election will lead to anything dramatic in the Balkans," he says.

Turkish Border Talks Promise Early Agreement

AU0511195592 Sofia BTA in English 1816 GMT 5 Nov 92

[Text] Sofia, November 5 (BTA)—Bulgaria and Turkey held here a new round of negotiations on the fixing of the borderline along the Rezovska River and its mouth, the separation of the internal waters in Rezovska Bay, the fixing of the border between the territorial seas, and the delimitation of the continental shelf and the exclusive economic zone. The sides also discussed the fixing of information flight zones over the Black Sea and prospects for cooperation in fishing in the Black Sea.

A compromise was reached on delimitation, said Ms. Veneta Momcheva, spokesperson for the Foreign Ministry. On the basis of political agreements and the package approach towards the settlement of the issues under discussion, the sides are expected to reach an agreement on all questions before a comprehensive agreement is worked out, Ms. Momcheva said.

The delimitation of the continental shelf and the economic zone were the key issues at this negotiating round. The sides discussed for the first time specific methods and lines for the division of the zone. Positions are getting closer and an agreement is about to be reached.

The Bulgarian delegation consisted of representatives of the Ministries of Foreign Affairs, Defence, the Interior, Agriculture, the Environment, and Transport, as well as of the Committee for Geology and Mineral Resources, the Bulgarian Academy of Sciences, and state companies.

The next negotiating round will be held in Turkey at a date which will be specified later on.

Evacuation of Bulgarians From Luanda Begins

AU0611135692 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 6 Nov 92

[Text] Our Foreign Affairs Ministry is coordinating the evacuation of Bulgarian citizens who are willing to leave Angola. According to the Bulgarian charge d'affaires in Luanda, a group of 30 Bulgarians was evacuated last night on board a South African aircraft and is proceeding to Pretoria. Possibilities for further transport to Bulgaria are being examined.

National Assembly Elects Yordanov as Speaker

AU0511181692 Sofia Khorizont Radio Network in Bulgarian 1730 GMT 5 Nov 92

[Report by Nina Spasova from a radio studio in the National Assembly building in Sofia]

[Excerpt] Since precisely one hour ago, parliament has a new chairman. Mr. Aleksandur Yordanov received 124 votes from the total of 230 deputies who took part in the ballot. His opponent, Yordan Shkolagerski from the BSP [Bulgarian Socialist Party], received 103 votes. I will remind you that originally the BSP proposed the candidacy of Yanaki Stoilov for the post of National Assembly chairman, but he declined the offer on ethical grounds.

After the result of the vote had been made known, the new chairman of parliament made a brief speech, in which he explained his views on how to expedite the work of parliament. During the next few days, with the assistance of the three parliamentary groups, he said, a joint discussion must take place on mechanisms to ensure the speedier passage of the awaited legislation and greater efficiency of the National Assembly. Mr. Yordanov renewed his proposal to the BSP deputies that they should take their seats in the leaderships of the parliamentary commissions. He declared his support for a working parliament that through its legislative work would guarantee the irreversibility of the change in Bulgaria. Parliament, he said, will continue to stand for political dialogue and for constructive debate. The spirit of understanding can be achieved in the hall of parliament, he said, without sacrificing one's political ethics and one's political convictions. This is how, minutes after his election became a fact, Mr. Yordanov answered when asked by my colleague Olga Ivanova how the hall of parliament looks now from the speaker's podium.

[Begin recording] The National Assembly must be united around the idea of carrying out its work, to impose a spirit of professionalism, and to work in a constructive, calm spirit. Of course, all deputies cannot be identical; they are all different, each possesses inherited human qualities. I do not want them to function as an ordinary working machine. Quite the contrary, let everyone remain the way he or she is, but his or her consciousness should always contain one thought—Bulgaria. Even if this thought is only a small one, it will make the person concerned a much greater person than he represents on his own. [end recording]

I will add that Mr. Yordanov received congratulations from all three parliamentary groups, as well as from his opponent, Yordan Shkolagerski. [passage omitted]

Zhelev Congratulates Yordanov

AU0611082192 Sofia Khristo Botev Radio Network in Bulgarian 2030 GMT 5 Nov 92

[Text] President Zhelyu Zhelev congratulated Aleksandur Yordanov on his election as National Assembly chairman. The president hopes that the political scene will be stabilized and that parliament will finally adopt a constructive path of reasonable dialogue in the interests of the Republic of Bulgaria. The text of the president's signed letter of congratulation received by BTA states that Mr. Aleksandur Yordanov possesses all the qualities for this to be actually achieved.

Dailies Comment on Election

AU0611104092 Sofia BTA in English 0834 GMT 6 Nov 92

[From the press review]

[Excerpts] Sofia, November 6 (BTA)—The press gives prominence to yesterday's election of Aleksandur Yordanov as National Assembly chairman. [passage omitted]

DEMOKRATSIYA, the daily of the SDS [Union of Democratic Forces], runs the speech of the new National Assembly chairman in which he says that he wants this parliament to be a parliament of change. "Yordanov promises impartiality as chief of parliament, a headline in OTECHESTVEN VESTNIK reads. "By voting for Aleksandur Yordanov we wished to show the SDS that our relations should embark upon a constructive stage," the 24 CHASA quotes the spokesman for the Parliamentary Group of the DPS [Rights and Freedoms Movement], Yunal Lyutfi, as saying.

According to a signed commentary in STANDART the stand set forth by Aleksandur Yordanov for a compromise between the parties in the SDS and for dialogue with the DPS was decisive in his election to this post. "DPS makes a bow, we'll learn the price soon," a headline in TRUD reads. In a commentary the editor in chief of the DUMA daily expresses the hope that "the mace in hand of the National Assembly chairman will prove more wise than the stone in the hand of the politician."

The SDS Parliamentary Group confirmed the decision of the political conference of the SDS, the press reports. According to STANDART, the leaders of the DPS yesterday expressed willingness to support Filip Dimitrov's nomination as prime minister. The paper quotes Mr. Yunal Lyutfi as saying what matters are cabinet policies and not persons.

Why the DPS changes views often, what president's adviser Georgi Spasov meant saying Communists would come back to power in September and many other questions will be answered in an interview with the former Deputy Director of the National Intelligence Service Radoslav coming out next Monday, OTECHESTVEN VESTNIK writes. In several earlier articles published in the paper Mr. Raykov alleged DPS leader Ahmed Dogan was agent of the disbanded State Security. Mr. Raykov will now tell more details, which, according to the paper's editorial staff, will fill in the picture of the country's political life. [passage omitted]

Parliamentary Faction Approves Dimitrov Candidacy

AU0511220192 Sofia BTA in English 1424 GMT 5 Nov 92

[Text] Sofia, November 5 (BTA)—Today the parliamentary group of the Union of Democratic Forces (SDS) approved by an overwhelming majority the candidature of SDS leader Filip Dimitrov as prime minister. Only three SDS MP's [members of parliament] voted against and four abstained from voting.

Early this morning the political conference of the SDS decided to once again assign the formation of the new cabinet to 37-year-old lawyer Filip Dimitrov. At its session today the parliamentary group also approved the decision of the political conference of the SDS to nominate Aleksandur Yordanov, floor leader of the parliamentary group of the SDS, as National Assembly chairman.

According to the Bulgarian Constitution the president will appoint a prime minister-designate nominated by the parliamentary group holding the largest number of seats in parliament. After being appointed by President Zhelyu Zhelev, Filip Dimitrov will have seven days to form a new cabinet to be subsequently approved by parliament.

'Prime Minister's State' Causes Concern

AU0611100092 Sofia KONTINENT in Bulgarian 2 Nov 92 p 7

[Valentin Stoev commentary: "A Prime Minister's Republic"]

[Text] Two statesmen, separated by thousands of miles from each other, are anxiously awaiting the results of a vote which should decide this week about their second term of office. I speak of Filip Dimitrov, who is known by the nickname of Kennedy, and of U.S. President George Bush. Both politicians have their own chances.

Naturally, the comparison is ridiculous. However, there is something that makes it not so far-fetched. I do not mean the common element of arms trade, namely the Iranian affair that occurred on the occasion of the incident with the U.S. hostages in Iran, and the Macedonian affair that occurred during the period of Bulgarian post-totalitarianism. I do not even mention the fact that both George Bush and Filip Dimitrov have American advisers.

I am talking about something else. I mean that throughout its one-year rule the Union of Democratic

Forces [SDS] government and its prime minister, imitating the model of the U.S. presidential administration (under which the president is the chief of the executive power as well), tried to take over important departments and services, transforming Bulgaria into a prime minister's state. In subsequently trying to deprive the head of state of his prerogatives, which is a breach of the Constitution, the cabinet misled the public by accusing the president of committing this very sin on every occasion.

As a result of all this, the so-called first and most democratic government and its prime minister, whose power was shaky for a long time, is now on its (and his) knees. Whom they are kneeling before—this is something that certain people already understood after the notorious meeting behind closed doors.

The consultations for a new government are already under way. The SDS has officially the prerogative of the first choice, while the first obligation toward the public is to demand from the future "blue" [SDS] cabinet that it should sustain the pressure of the gray myriad of present and future candidates for ministerial posts, and of various other people who do not distinguish between politics and trade.

All kinds of strange things have happened and continue to occur in the era of democratic post-communism, but as far as a prime minister's republic is concerned.... As a matter of fact, history remembers such a precedent from the late 30's.

Lyutfi Denies Turkish Pressure on DPS

AU0611105892 Sofia PRAVA I SVOBODI in Bulgarian No. 44 30 Oct 92 pp 1, 3

[Interview with Yunal Lyutfi, spokesman of the Rights and Freedoms Movement, by Iglika Goranova; place and date not given: "We Should Rely on Dialogue"]

[Text] [Goranova] Mr. Lyutfi, what is new about the draft on a political agreement between the Rights and Freedoms Movement [DPS] and the Union of Democratic Forces [SDS]?

[Lyutfi] In the draft we insist on cooperation between the DPS and the SDS in government policy. Such cooperation is likely to accelerate the land reform and investments in areas where a mixed ethnic population prevails and which are affected by recession and unemployment. It is also likely to promote production and trade in the sphere of the tobacco growing and tobacco processing industry.

[Goranova] What is your attitude to the formula proposed by the SDS, namely: Political agreement—parliament chairman—and confidence vote for the government—in that order?

[Lyutfi] This is the crucial problem. The formula as such is consistent with political realities. Our decision, however, is that the confidence vote should precede the political agreement. In connection with reaching this agreement, relations between the DPS and the SDS were discussed and analyzed in a nine-hour meeting of the DPS Central Council held on Tuesday [27 November]. According to our view, the two formulas are prerequisites for dialogue. Nevertheless, we cannot agree to sign the agreement prior to the confidence vote because this would automatically commit us to cast our confidence vote in favor of the government.

[Goranova] Do you expect parliament to remain an "orphan," as the mass media call it, for long?

[Lyutfi] No, the DPS insists on electing a parliament chairman as soon as possible. We have no specific preferences regarding the choice. This election requires a great sense of responsibility and all nominations by the SDS shall be coordinated with us.

[Goranova] The SDS suggested that the parliament chairman should not be subject to replacement for a fixed period of time.

[Lyutfi] This is an argument we object to. If we should adopt a text in the parliament's Code of Regulations about the parliament chairman not being subject to replacement for a year or two, we would commit a breach of the democratic principle. We are convinced that the parliament chairman must confirm his undisputed authority by his daily actions and be the first among equals. The awareness that he may be asked to resign at any moment should encourage him to behave as an impartial and competent National Assembly chairman.

[Goranova] What is the DPS's attitude to the conflict between the SDS National Coordinating Council and the president?

[Lyutfi] We are following the development of this conflict with concern and appeal to our partner, the SDS, to rely on dialogue. We must turn to the dialogue and look for things we have in common. These are national interests. By keeping them in mind we can avoid confrontation.

[Goranova] Lately, some of the "dark blue" [SDS extremist] leaders have repeatedly been using the expression "ethnic tension" as a key word. How does the DPS regard this fact?

[Lyutfi] We are not creating ethnic tension. Some people from the SDS are trying to play the card of nationalism. I categorically declare that they shall not be successful in this game. Our people, realizing what is happening to our western neighbor, will never permit themselves to be manipulated and will not allow ethnic tension to escalate.

[Goranova] Some newspapers reported that Mr. Nedelchev [SDS Parliamentary Group spokesman], addressing his supporters in Varna recently, declared that the DPS is acting under pressure from nationalist circles in Turkey.

[Lyutfi] I am surprised that a politician should say such things. Such untruthful allegations are likely to have a negative impact upon good relations between the Republic of Bulgaria and the Republic of Turkey.

National Bank Head Promises IMF Cooperation

AU0611143692 Sofia BTA in English 1344 GMT 6 Nov 92

[Text] Sofia, November 6 (BTA)—The Bulgarian National Bank wants to send a letter to IMF Managing Director Michel Camdessus to assure the international financial institutions that this country will not give up its cooperation with the IMF and will go on with the programme worked out with it, National Bank Governor Todor Vulchev said on national radio today.

The bank will first hold consultations with the political forces and will send the letter only if the settlement of the cabinet crisis is delayed. The letter should be sent by the new cabinet, if it is formed in the next few days, if not, it will be undesirable that Bulgaria keep silent for a long time, Prof. Vulchev said.

Meanwhile, the National Bank has taken steps to stabilize the foreign exchange market and to counteract the appreciation of the dollar against the lev, caused by internal political instability and by external factors. Yesterday the bank's Governing Board decided on a 2 percent increase in the rate charged for discounting promissory notes. According to Prof. Vulchev, this will increase the cost of borrowing, thus restraining commercial banks from buying U.S. dollars in the hope of selling them at a profit later on, which is pushing the exchange rate up. According to Prof. Vulchev, the National Bank will not tolerate these speculations by the commercial banks.

National Bank To Control System Liquidity

AU0511203592 Sofia BTA in English 2014 GMT 5 Nov 92

[Text] Sofia, November 5 (BTA)—The Governing Board of the National Bank of Bulgaria (BNB) discussed today the state of the foreign exchange market in this country. The latest data show signs of a certain stabilization. Today's rise in the exchange rate of the U.S. dollar, which reached 25 leva, is the result mainly of external factors which is evidenced by the slight drop in the exchange rate of the Deutsche mark.

The BNB Governing Board decided to adopt minimal additional measures for restricting liquidity in the banking system. It will increase discount percentages in discounting banknotes, which would correspond to an interest rate two points higher than the base interest rate (a 2 percent increase) for prime lending rate customers and to an interest rate four points higher than the base interest rate (a 3 percent increase) for the other credit customers. If the necessity arises and in order to guarantee the aims of the monetary policy till the end of 1992, as well as the stability of the foreign exchange market, the BNB may adopt additional restrictive measures.

Resistance to Land Commissions Discussed

AU0611133992 Sofia Khorizont Radio Network in Bulgarian 1000 GMT 6 Nov 92

[Excerpt] [Anouncer] We have just established contact with our reporter Zlatina Georgieva, who reports live from parliament:

[Georgieva] The National Assembly's work did not proceed smoothly today. A few minutes after the opening of the National Assembly session there was a recess of nearly an hour. Another hour was spent listening to the report of the inquiry commission in charge of investigation actions of individuals responsible for organized resistance to the application of the Land Act.

The inquiry commission collected data on two groups of people involved in the case, namely on individuals, who disseminated written documents instigating civil disobedience in connection with the application of the Land Act, and on individuals who organized such actions.

This went on for over one hour. Another hour was spent submitting evidence to the National Assembly deputies to brief them on the aforementioned facts. Numerous names, dates, and documents were cited about actions directed against the liquidation commissions in charge of promoting land restitution and privatization in the rural areas, according to which the majority of organizers of civil disobedience in the rural areas were members of the Bulgarian Socialist Party [BSP]. Facts were submitted to illustrate acts of harassing chairmen of liquidation commissions, the destruction of agricultural crops, the damaging of equipment, and threats of using weapons.

Mrs. Mariela Miteva from the opposition objected that only an intentionally selected part of the existing documents was read. She insisted that all documents should be submitted. Nevertheless, the view that a debate on the report should start prevailed during the vote. A little while ago the National Assembly deputies voted on the decision whether the debate should be televised. [passage omitted]

Economy Seen as Decisive Issue in Clinton Win

AU0511175692 Prague LIDOVE NOVINY in Czech 5 Nov 92 p 4

[Commentary by Alexandr Kramer and Dusan Neuman: "Le Roi Est Mort. Vive Le Roi!"]

[Text] When at the end of February 1991 George Bush informed the American people of the successful culmination of Operation Desert Storm, no one could have doubted that he would win the next election and secure a second term in office. The United States has proven that it is the world's supreme military power, it has acquired the status of moral leader, and it has gained a new standing in the Arab world. U.S. diplomacy has celebrated one success after the other in the United Nations.

Commentators have written screeds and screeds about the birth of a unipolar world, about the advent of the U.S. century.... And because every victory and every defeat has to be personified, it was necessary in this case to announce the hero's name with a flourish of trumpets: George Bush.

The collapse of the Soviet Union, which was preceded by the disintegration of the communist bloc and by the creation of new democracies in Central Europe, has underscored and enhanced the United States' dominant position in the world. The United States not only conquered an aggressive dictator with regional ambitions, but also triumphed in a global cold war that lasted for more than four decades.

Was it at all conceivable that people would reject the man with whose name, rightly or wrongly, such successes were associated—to say nothing of such "trifling" issues as the conclusion of a treaty with Yeltsin's Russia on reducing the number of strategic missiles by 50 percent—a mere 15 months later? Of course, there are precedents, but we do not have to go all the way back to Alcibiades in ancient Athens. Winston Churchill, one of the key figures of World War II, also conducted an unsuccessful postwar campaign to remain British prime minister. He was not even allowed to lead his country's delegation to the meeting of the victorious powers in Potsdam....

Bush can now, along with Churchill, bitterly lament that no one is a prophet in his own country. Even an overabundance of self-pity, however, should not deter him from reconciling himself to an age-old truth: In every country—and especially in the United States—the prophet is the one capable of guaranteeing his people a desirable standard of living. If he is unsuccessful in this, then *sic transit gloria mundi*....

George Bush had a substantial lead over his (still hypothetical) rivals in the public opinion polls conducted at the beginning of the election campaign. Even when the dire state of the U.S. economy did not improve after the implementation of his belated measures (at the end of last year he announced an exceptional government investment of $10 billion to create new jobs), there was still no reason for serious apprehension: Although, the voters and press bitterly criticized him, they had no substitute for him. The opposition Democratic Party had no outstanding personalities and the winner of its primaries, Bill Clinton, seemed rather lackluster.

However, he soon began to show some true color. His program for reviving the U.S. economy—rather general at the beginning—acquired ever clearer contours and contrasted ever more with Bush's plan, which consisted of support from large capital. The campaign breakthrough came after the Democratic Party's congress in July when Clinton assumed a substantial lead in the polls. At the end of the campaign—whose ups and downs were supplemented by the inscrutable behavior of the independent candidate Ross Perot—Bush managed, with the aid of indiscriminate personal attacks, to reduce Clinton's lead. In the end, however, he lost by a wide margin.

In January Bill Clinton will become the 42d president of the United States of America. Executing this role, for which he so staunchly and—in the end—successfully campaigned, will not be easy. The most difficult tasks await him at home: Within the first 100 days of his administration he will have to begin to prove—in accordance with his promise—that the reforms he has committed himself to are not just castles in the air. Obviously, the hardest nut to crack will be to show that George Bush was mistaken when he claimed that Clinton will be unable to find the money for his programs without widespread tax increases.

In the foreign policy sphere, many people expect Clinton to return to idealism, to the idealism characteristic of the administration of his last Democratic predecessor, Jimmy Carter (which should manifest itself, for example, in a more principled U.S. stance toward China or in the form of more substantial aid for the republics of the former Soviet Union and the young democracies in Central Europe). However, Clinton has shown many times that pragmatic reasoning is not alien to him. Therefore, in view of the U.S. economy's current problems, it is not out of the question that the first half of his term of office—to say the least—will involve scaling down U.S. global activity as compared to the foreign policy of his Republican predecessors. This is despite Clinton's aggressive rhetoric ("President Bush has failed to find an adequate response to the appeals the world is making to us following the end of the Cold War."), which, for example, arouses hope in some people of a more energetic U.S. course of action in the effort to bring an end to the conflict in the former Yugoslavia.

Privatization Seen as Solution to Dam Dispute

LD0511222292 Prague CSTK in English 1448 GMT 5 Nov 92

[Text] Bratislava, Nov 5 (CSTK)—The Hungarian-Slovak dispute over the Gabcikovo hydroelectric project

on the Danube could be solved by creating a Slovak-Hungarian joint stock company that would enable privatisation of the whole project by an international tender, Lubomir Dolgos said today.

Speaking with journalists, the Slovak minister for the administration and privatisation of national property said this solution would make it possible for the Slovak and Hungarian Government to back out of the controversial project in an elegant manner. The responsibility for the completion of the project would thus be shifted to international capital, Dolgos said. He added that at Wednesday's [4 November] meeting of representatives of the Slovak and Hungarian Privatisation Ministries in Budapest, this proposal met with positive response from the Hungarian side. However, talks on Gabcikovo were only preliminary and will continue at another meeting due to take place in Bratislava by the end of November, Dolgos said.

The Gabcikovo waterworks on the Slovak-Hungarian border started to be built jointly by Czechoslovakia and Hungary in 1978, but in 1989 Hungary halted work on its part of the twin-dam project citing environmental reasons.

Federal Assembly Extends Current Session

AU0511125792 Prague CSTK in English 1336 GMT 3 Nov 92

[Text] Prague, Nov 3 (CSTK)— The fifth joint session of the Czehoslovak Federal Assembly House of Nations and the House of the People, which opened today, will not end on Thursday, November 5 as planned originally, but will continue next week.

In approving the session's agenda, the deputies agreed to discuss next week a government draft constitutional law on ending the Czechoslovak Federation and a draft constitutional law on the division of federal property. The government should submit the latter on Thursday, while the former was submitted in October.

Until November 6, the parliament will discuss an extended Federal Government program, a draft law abolishing the Federal Security and Information Service (FBIS), the 1992 budget of the Federal Fundof National Property and some other laws.

The parliament rejected a proposal by Istvan Bartakovics from the Egyutteles movement who demanded that the Federal Government submit a report on domestic and international talks on the Gabcikovo hydroproject on the Danube. A dispute has erupted over it between Czechoslovakia and Hungary. The European Community (EC) has now been trying to mediate a settlement.

Federal Assembly Rejects Government Program

LD0611101292 Prague CSTK in English 1634 GMT 5 Nov 92

[Text] Prague, Nov 5 (CSTK)—The Federal Assembly today failed to approve an extended programme of the Czechoslovak Government, which did not gain the necessary number of votes in the Slovak part of the House of Nations.

Only 35 out of the 52 present deputies voted for the programme, while at least 38 votes were necessary. No deputy was against it; 14 deputies abstained from the vote and three ignored it.

In the Czech part of the House of Nations, the programme was supported by 40 out of the 57 present deputies, 12 were against it, four abstained, and one ignored it. Like in the Slovak part, at least 38 votes were necessary to pass the programme. Each the Czech and the Slovak part of the House of Nations have 75 seats.

In the 150-seat House of the People, the programme was approved by 73 deputies, while 59 at least were necessary. Out of the 113 deputies present, 12 were against it, 27 abstained, and one ignored the programme. [figures as received]

The programme was supported by no deputy from the Christian Democratic Movement (KDH), the Left Bloc (LB consisting of the Communist Party of Bohemia and Moravia—KSCM, and the Democratic Left of Czechoslovakia), the Czechoslovak Social Democratic Party (CSSD), the Assembly for the Republic-Czechoslovak Republian Party (SPR-RSC), and Egyutteles.

With the exception of one deputy, the programme was not supported by the Social Democratic Party in Slovakia (SDSS). Only two deputies from each the Liberal Social Union (LSU) and the Social Democratic Party (SDL) supported the programme. The programme was supported by all deputies from the Civic Democratic Party (ODS), the Movement for a Democratic Slovakia (HZDS), the Christian Democratic Union-Czechoslovak People's Party (KDU-CSL), the Slovak National Party (SNS) and former members of the SPR-RSC.

Some deputies from the extreme-right SPR-RSC have withdrawn from the party for disagreement with its chairman Miroslav Sladek.

The extended programme statement follows up the original programme worked out for three months—July, when the government was formed after the June elections, and September 30 the originally set deadline for the Czech and Slovak Parliaments'to reach agreement on the future of Czechoslovakia.

As no agreement was concluded by the date and as the election winners in the Czech and Slovak Republics, the ODS and the HZDS, decided August 26 to split the Federation as of January 1, 1993, the Federal Government has had to work up a supplement to its programme to cover the three more months during which it will remain in office.

Strasky Reviews Extended Cabinet Program

LD0511192292 Prague CSTK in English 1218 GMT 5 Nov 92

[Text] Prague, Nov 5 (CSTK)—The Czechoslovak Government is not considering working out a federal budget for 1993, Czechoslovak Premier Jan Strasky confirmed today when justifying an extended programme of his cabinet at the current fifth session of the Federal Assembly (Parliament).

Reviewing the activity of his cabinet, which emerged from the June 1992 general elections, Strasky said the government has already submitted 18 draft constitutional and other laws. He said the government has ensured the continuity of all processes launched after November 1989 (the fall of Communist rule in Czechoslovakia), continued the launched reforms, and adopted measures aimed at a substantial reduction of the number and extent of central bodies of state administration, transferring the powers of the abolished and reduced bodies to the remaining bodies and to the Czech and the Slovak Republics.

In foreign policy, the cabinet has continued the effort to bring Czechoslovakia into the processes of European integration. Five international governmental agreements have been concluded and ratification documents on the Czechoslovak-German treaty of good-neighbour relations and cooperation, signed February 27, 1992, have been exchanged. The programme of Strasky's cabinet was submitted July 16 and it was agreed that its extended version reflecting the prospects of Czechoslovakia's future state setup will be submitted after September 30.

The extended document states that Czechoslovakia's development towards the formation of two independent states is ever more evident. It says the government will work out and submit a conception of cooperation between the Czech and the Slovak Republics in case of a constitutional split of Czechoslovakia, concerning above all cooperation in foreign policy, transport, telecommunications, movement of persons and possibly also an overall economic policy.

On August 26, the winners of the June elections in the Czech and the Slovak Republics—the Civic Democratic Party (ODS) of Czech Premier Vaclav Klaus and the Movement for a Democratic Slovakia (HZDS) of Slovak Premier Vladimir Meciar—agreed on Czechoslovakia's split as of January 1, 1993. The Federal Government will submit to parliament a draft constitutional law on ways of dividing Czechoslovakia's property between the two republics, and amendments to laws on the defence, on consumer taxes, the value-added tax and others, the document says.

Until Czechoslovakia's state setup is solved, the Federal Government will consistently ensure the state's united actions in relation to foreign countries. It will also create preconditions for extending the two republics' participation in international relations, and, in case of the Federation's split, for their speedy international recognition and establishment of diplomatic relations.

Within the framework set by the possible termination of the Czechoslovak Federation, the government will prepare the two republics' participation in European integration processes.

The statement on the Federal Government's programme points out problems linked to the uncertainty about Czechoslovakia's future state setup, emphasising the uncertain ratification of Czechoslovakia's association agreement with the European Community (EC). Continuation of this state threatens Czechoslovakia's trustworthiness as a partner and guarantor of the fulfilment of international obligations, and could have a negative impact on the starting position of Czechoslovakia's possible successor states, the statement says. It sets as the government's priorities Czechoslovakia's relations with neighbouring countries, the U.S., Russia, and its active relation to the United Nations, and also good relations with international organisations such as the International Monetary Fund and the World Bank.

The cabinet will work out draft agreements providing for the functioning and cooperation of the two republics' Armies, in case the Czechoslovak Army is divided.

The primary task in the economic sphere will be continued stability of the macroeconomic environment on the whole territory of Czechoslovakia. In its budget policy, the government must aim at preventing a deficit. This means that spendings will have to be yet more consistently regulated at the end of the year.

The further activity of the government will to a great extent depend on the decisions of the Federal Assembly and the national parliaments in questions of power sharing and steps concerning the formation of two independent states. The government will strive for the process of Czechoslovakia's possible split to proceed in a constitutional, calm and cultured manner, the statement said.

SDL Reaffirms Criticism of Slovak Government

AU0511124192 Prague CSTK in English 1428 GMT 3 Nov 92

[Text] Bratislava, Nov 3 (CSTK)— The Movement For a Democratic Slovakia (HZDS) does not have sufficient numbers among party cadres or power to administer Slovakia in isolation, Party of the Democratic Left (SDL) Chairman Peter Weiss said today. If the government admits its mistakes so far and changes its program statements, the SDL would be willing to enter into the government with the HZDS, Weiss said. He added that it would mean significant personnel changes in the current government.

The unprofessional and undiplomatic measures of several members of the government are creating a bad image for Slovakia abroad, Weiss said. SDL Deputy Chairman Pavel Kanis said there is presently trench warfare running among Slovak political parties, and parliament is beginning to be confronted with a fait accompli which the executive power is preparing with unilateral methods.

The methods with which the government attempted to solve the situation of the miners in Handlova could also lead to a catastrophe and war of everyone against everyone. It is not possible to solve the conflict by setting the miners against the technicians, Kanis said. He characterized statements by several government representatives in this present case as incompetent, but did not specify which representatives he had in mind.

One of the themes of the joint discussion between representatives of the SDL and the Slovak National Party (SNS) will be the question of electing a president of the Slovak Republic. Kanis said the SDL is planning a similar meeting Wednesday [4 November] with the Christian Democratic Movement, Hungarian Christian Democratic Party and Egyutteles, but that the date for a meeting with the HZDS was not specified.

SDL No 'Threat' to Slovakia

LD0511203692 Prague CSTK in English 1233 GMT 5 Nov 92

[Text] Bratislava, Nov 5 (CSTK)—Peter Weiss, chairman of the Democratic Left Party (SDL), today rejected statements that Slovakia faces a threat from the SDL and that the country's calm political situation is endangered by the efforts of the SDL to seize positions in the government. These statements were voiced by Vladimir Meciar, Slovak premier and chairman of the Movement for a Democratic Slovakia (HZDS), at his meeting with citizens November 4.

As Weiss told CSTK, he is not sure if these statements are an official stance of the HZDS leadership or just private opinions of the movement's chairman. If the HZDS wants to get reliable information on the SDL, we again repeat our proposal for talks, he said.

At the meeting Meciar said that aspirations of the Weiss group can in no way succeed, as we keep everything under control. The HZDS will resolutely continue defending the Government of Slovakia and peace for the country's population, Meciar stressed. Slovak Government intends to check on the process of former Communist Party property's transfer to the state. This is the possible cause of irresponsible activities of the SDL, Meciar said. But the efforts for a confrontation are particulary irresponsible in view of Slovakia's current complicated foreign political situation, as they do not pursue but special political aims, he emphasised.

SNS Sees Referendum as 'Not Necessary'

LD0511205492 Prague CSTK in English 1315 GMT 5 Nov 92

[Text] Bratislava, Nov 5 (CSTK)—The Slovak National Party (SNS) does not in principle oppose a referendum on Czechoslovakia's split, but with regard to the stand of the Czech side (either a federation or independence), it thinks a referendum cannot solve the state setup questions, SNS Deputy Chairman Anton Hrnko told journalists today.

Noting that the seventh article of the Slovak Constitution says that the formation of a state union with other states or withdrawal from such a union must be decided by a referendum, Hrnko said: Slovakia is not part of any state union and therefore a referendum is not necessary.

The Slovak Constitution, which was signed September 3, came into force October 1.

Meciar Stresses Need for New Taxation System

LD0611100692 Prague CSTK in English 2121 GMT 5 Nov 92

[Text] Bratislava, Nov 5 (CSTK)—Slovak Premier Vadim Meciar today said transition to a new taxation system is badly prepared in both the Czech and Slovak Republics. Speaking at the 7th session of the Slovak National Council (parliament), Meciar said a decision on the date of its introduction will be made at the meeting of the Czech and Slovak Governments in Zidlochovice, South Moravia, on Monday [2 November].

The Czech Republic is keen on introducing the reform, which is an important part of transition to market economy, as of January 1, 1993, when the Federation will split. The Slovak Republic says it is not yet fully prepared for the new system.

Meciar said the council and the commission of the Czech-Slovak customs union, to be introduced as of January 1, 1993, will be seated in Bratislava. But they will not coordiate trade in weapons because we consider it Slovakia's internal matter, Meciar said. He stressed that the most positive about the monetary agreement concluded by the Czech and Slovak Governments in Javorina, North Slovakia, October 26 and signed in Prague October 29, is that the two countries will have a common currency after Czechoslovakia's split.

Speaking about economic developments in Slovakia, Meciar said it is wild in some parts of the country and the government has not yet succeeded in changing it.

Goncz Thanks Bush, Congratulates Clinton

LD0511225192 Budapest MTI in English 1540 GMT 5 Nov 92

[Text] Budapest, November 5 (MTI)—Hungarian President Arpad Goncz on Thursday [5 November] sent messages to U.S. President George Bush and President-Elect Bill Clinton.

Goncz expressed thanks to Bush for his outstanding personal role in initiating and organizing U.S. and international support to Hungary and the region in the period of democratic changes, and promoting an unprecedented development in Hungarian-U.S. relations.

Congratulating the president-elect, Goncz expressed the conviction that Bill Clinton would succeed in solving the tasks set for himself [passage indistinct]

Jeszenszky Evaluates U.S. Election Results

AU0611100492 Budapest UJ MAGYARORSZAG in Hungarian 5 Nov 92 p 2

[Interview with Foreign Minister Geza Jeszenszky by Laszlo Daroczi; place and date not given: "Our Relations Will Not Change"]

[Text] [Daroczi] How will Bill Clinton's victory affect the whole of international relations? Can we expect any basic change?

[Jeszenszky] We cannot expect any special change, because one can clearly see a bipartisan system in U.S. foreign policy. With the election of Bill Clinton, on the basis of Democratic traditions, we can expect the continuation of the trend that has always been strongly represented by the Democratic Party. I must mention here the opening up of relations toward Europe and a more active global political role. Former presidents Wilson, Franklin D. Roosevelt, and Truman were prominent representatives of this trend. Actually, the Republicans did make changes at the time by declaring and implementing a more active policy, instead of a more reserved one. Therefore, I do not think that the concern about the possibility that the United States would now shut itself in, create a "continental fortress," and withdraw from Europe has any justification. Naturally, we can expect a certain measure of mainly military withdrawal, something that had already begun under the Bush administration. At the same time, Clinton has clearly declared that he will stick to NATO as well as to the U.S. presence in Europe.

It would be of tremendous significance if Clinton succeeded—at least partially, but also in a short time—in implementing his program of strengthening the United States economically because turning the tide of recession that afflicts the United States and the whole world, including our region, would bring about a chain reaction that could also pull East-Central Europe along with it. It is particularly noteworthy that, even prior to the elections, the international stock exchanges reacted favorably to the news about Clinton's victory. It is customary to speak about inflationary expectations; this time, we can notice expectations of prosperity and growth.

[Daroczi] What kind of contacts did the Hungarian Foreign Ministry have with the Democratic Party that was in the opposition all this time? Will we have to rebuild our system of relations now?

[Jeszenszky] It is the task of every government and every diplomatic service to foster relations with other political forces too, and not only with the prevailing government. I have already said that U.S. foreign policy is bipartisan by nature. Regarding the United States, Hungarian diplomacy was also a bipartisan one. While very warm relations emerged between President Bush and Prime Minister Jozsef Antall, even at the personal level, I myself often met and consulted leading U.S. politicians, and we also developed contacts with the Democratic Party. For example, we are old acquaintances—almost friends—with Robert Kennedy's two children, and I can also mention Senator Christopher Dodd. In other words, we are not just starting to develop our contacts with the Democrats now. At the same time, I would like to stress here too that, naturally, bipartisan relations will continue. I can say that we have had, we have, and we will have friends in both parties. A rather high-level Democratic Party senator will visit Budapest soon, Senator De Concini, whom we visited together with Jozsef Antall back in January 1990, before the elections in Hungary.

[Daroczi] Does this also mean that we should not count on any changes in our bilateral relations?

[Jeszenszky] No, no changes are expected. Clinton will presumably strive to prove himself not only on domestic policy matters, but on foreign policy as well, because there have been reservations about him in this respect. While he will obviously have to concentrate on domestic policy, I am sure that he will try to become personally acquainted with world leaders and the problems of the world, precisely because he is less known abroad and has less experience. I very much hope that we will be able to greet President Clinton on a visit to Central Europe, including Hungary, as early as in the first half of his presidency.

Views Clinton's Foreign Policy

AU0611103292 Budapest NEPSZABADSAG in Hungarian 5 Nov 92 pp 1, 6

[Interview with Foreign Minister Geza Jeszenszky by Csaba Nagy; place and date not given: "Human Rights in the Forefront"]

[Text] Although I do not personally know Bill Clinton, a number representatives and senators of the Democratic Party have very close relations with the Hungarian Government, Geza Jeszenszky said in an interview he gave after being informed about the U.S. election results.

[Nagy] According to reports, Clinton wants to revive the democratic traditions—mainly Carter's—that attach special importance to the protection of human rights. What effect could this have on the position of the Hungarian minority living beyond the border, and on the international views on Hungary's extremists?

[Jeszenszky] I know from NEPSZABADSAG, among other sources, that one of Clinton's advisers recently made a statement to this effect. Some other information we received also indicates this. I wholeheartedly welcome these efforts. I have always thought that the unfavorable international view on the Carter government was unjustified. It was the Carter government that contributed to strengthening the processes leading to changes in Hungary when it returned the Sacred Crown. In my view, the continuation of—if you like—Carter's policy is important, although in many ways this means different things under the new circumstances. Today, we do not only talk about general human rights. From a certain point of view, the period of the most severe violations of the law has ended. However, at the same time, new and totally horrible forms of violations of legal rights have come to the forefront, for example ethnic cleansing. Therefore, Hungary will welcome strict control over the observance of the norms of human rights. The fate of the Hungarian minorities is not the only motivation for this. I am convinced that their situation will be dealt with appropriately when democracy and human rights thoroughly prevail in the given countries.

The Hungarian minority is not the biggest in the region. This issue is therefore an extremely important security problem of the new Europe. As for extremist tendencies, Hungary can stand assessment and comparison with its Eastern and Western neighbors with a clear conscience.

We mainly have to pay attention to deeds rather than words, although words also have their importance. There have not been any extremist actions in Hungary and I do not believe that there is a danger of them happening because we apply the rigor of the law against these. The bill on ensuring the protection and representation of the national minorities is before Parliament. While we can indeed see an increase in impatience in many places in the region, the domestic facts speak for themselves. That is why it is very appropriate that Clinton wants to pay attention to East European human rights, and I and my government very much welcome it.

[Nagy] Bush won the war but lost the peace.

[Jeszenszky] This is not the first time. The United States has won many wars but has not been so successful in peace.

[Nagy] A new aspect emerges here, though. After the end of the opposition between two world systems, the U.S. electors—perhaps unconsciously—are indicating the start of a new era. It seems that in the new era, U.S. citizens are much less interested in the world power role of the United States than in the domestic economy. In addition, Clinton has announced an increased social role for the state. Can all this mean the beginning of a new capitalist perestroyka?

[Jeszenszky] The contents of the election program are important, but actions will determine things. Indeed, since 1989, we have been living in a new world historical period for which the United States had done a lot. Regardless of this, the domestic conditions and the situation of the economy in the United States make it justified for an energetic team to try to use new ideas to put the economy in order. If the recession, which has lasted a number of years, and which cannot be compared to the big world crisis, spreads further, then it could affect Europe and Asia. If this crisis were not affecting the United States now then it would be easier to restore the economies of Hungary and other East European countries. This is one of the reasons why I wish success in this attempt.

[Nagy] In your view, is it a turning point that the elected president of the world's leading power announces an increased social role for the state, contradicting the former capitalist practice?

[Jeszenszky] The state has an active social role in Europe including in Hungary, even if it does not reach the desirable level because of our economic and financial possibilities. From my experience in the United States, I know that the state kept itself very far from this area. Therefore, Clinton is not announcing a completely new model, but he is adjusting to the tendencies that are already constantly present in Europe, although at varying levels. There is no health insurance or compulsory pension in the United States. The coming years will show how Clinton can implement his plans. In my view, this is a new thing in the United States, although this attitude has always been close to the Democratic Party's traditions. Roosevelt's "New Deal" opened a truly new era in the history of capitalism. God grant that Clinton's new trend will be able to renew U.S. capitalism and make it more successful. If this does happen, then it will indeed be of world historical importance.

[Nagy] In his speeches, Clinton announced the increased protection of the U.S. market. Could this tendency have any effect on U.S.-Hungarian economic relations?

[Jeszenszky] I doubt it. The U.S. investments in Hungary that we consider large are very small in U.S. proportions. Considering Clinton's commitment to the renewed democracies, if such protection takes place it certainly will not be directed against the Central European democracies that are in a difficult position. During his election campaign, Bush proposed the signing of a free trade agreement with the Visegrad group of countries. As far as I know, this has not been discarded by Clinton. I do not think that he would change the policy of opening the markets. This is also what the Hungarian Government urges.

[Nagy] Do you personally know Clinton or anyone around him?

[Jeszenszky] I do not personally know Clinton and I do not think many Hungarians do. However, I do know people in the United States who are very close to the Democratic Party. A number of the senators and representatives of the Democratic Party have very close links with the Hungarian Government. For example, Connecticut Senator Dodd was present when Jozsef Antall was made an honorary doctor at the state's university. I personally know very well one of Clinton's East-Central European advisers, a lecturer at Washington University, who visited Hungary a number of times during the 1989 changes.

Ease of Clinton Victory 'Signals a Change'

AU0611115892 Budapest MAGYAR NEMZET in Hungarian 5 Nov 92 p 1

[Editorial by Miklos Blaho: "Liberal America"]

[Text] In fact, a referendum was held in the United States about the four years of the Bush administration, and the president was ousted from office. He was replaced by the new man of new times, Arkansas Governor Bill Clinton, who promised change and youthful dynamism. The ease and predominance with which the challenger defeated the White House incumbent signals a change. Although he won the cold war and drove the Iraqis out of Kuwait, George Bush's diplomatic and military successes were overshadowed by the fact that Saddam Hussayn survived his aggression and Bush's role in previous arms supplies to Bagdad and Tehran came to light. President Bush displayed impotence and lack of imagination in domestic and economic policy matters, and a considerable number of Americans think that their situation is worse now than four years ago.

However, the voters did not opt for bill Clinton simply on the basis of their pocketbooks. Profound changes are taking place in U.S. society; that is why the need for a change of government could be expressed with such elementary force. Many factors were at work simultaneously here, underscoring historian Arthur Schlesinger's observation that U.S. policy is characterized by a cyclic nature: A conservative era is followed by liberal times. Of course, the transition is gradual and does not necessarily depend on party affiliation. Carter, Reagan, and Bush can be listed in the conservative trend, but Bush tried to cautiously to do away with his predecessor's strongly ideological rhetoric and his economic policy based on continuously reducing social expenses. However, because he was bound to this ideology, he could not lead the reforms. He could not handle the domestic problems that had accumulated and there was a need for someone of whom the citizens believed that he wants to care for them and is serious about his intention to introduce a general health care system, to help the poor, and to ease the problems of the minority groups in society, including the homosexuals and people with AIDS, someone about whom the U.S. people can trust that the abortion law would not be made stricter out of ideological considerations; on the contrary, this law would be further liberalized. The massive employment of women, their desire for a career, and the efforts of Blacks and Hispanics to integrate into society also require a more careful government policy and a more thoughtful president. The Americans sent quite a few women into the Senate, including a black woman for the first time ever, and the composition of the Congress also reflects the colors and strata of U.S. society better than ever. If Reagan declared a conservative revolution, Clinton can present himself as the new pioneer of the liberal thought. According to his economic philosophy, the government must play an important role with its human investments, namely by developing and diversifying the education and health services, thus laying the foundations of long-term prosperity. If he succeeds in this, he will also make a positive contribution to the world economy, which is struggling with recession, and he will be able to focus his attention on foreign policy issues, something that cannot be listed among the first tasks of the new president to be sworn in in January.

When taking account of his tasks and interests, he will see that, like his predecessor, he will have to deal with Russia, Japan, the Pacific region, and the EC. Central Europe will also be part of this list, but he will evaluate the slow democratic changes that are taking place in this region from the viewpoint of human and national minority rights and through his own liberal glasses.

Assembly To Discuss EC Accord Ratification

AU0611121892 Budapest MAGYAR HIRLAP in Hungarian 2 Nov 92 p 9

[Article by Pal Emod: "Hungary's Association Agreement With the EEC Ready for Ratification—Into Europe Through Brussels"]

[Text] The government will today submit the EC association agreement signed on 16 December 1991 to the Assembly for ratification. As is well known, this agreement has been "alive" since 1 March 1992. Some 60 percent of Hungarian goods are already traded customs-free on the EC markets. This perhaps also explains the 27-percent increase in sales of Hungarian goods to EC traders in the first nine months of 1992, which means a surplus export of $835 million for us. Naturally, this association agreement is based on mutual advantages and, thus, goods imported from the EC can also get into Hungary free of customs duty, albeit only gradually; however, beginning in 1995, 60 percent of the goods imported from EC countries will also get into Hungary duty-free. Because more than 50 percent of our foreign trade is with the EC, we hereby describe the preamble to the National Assembly bill as well as the major articles of the agreement in question.

"An incredibly important historical phase is starting for us now: Either we succeed in accelerating the Hungarian restructuring process and thus become full members of the developed Europe, or we cannot avoid the total lagging behind. If we miss the modernization process,

this might be equal to a national tragedy"—Janos Martonyi, the former Foreign Economic trade secretary and currently Foreign Ministry state secretary, told MAGYAR HIRLAP on 16 December 1991. The above date was really historical because Hungary signed the association agreement with Brussels, or the EC in Brussels on that day.

The first step taken on that day must be followed by further steps, and the final goal is Hungary's full membership in the EC, which will transform into a European Union with the time. The timing of this transformation depends on many factors and we, Hungarians, hope that it will be closer to 1995 than to 2000. The ratification procedures that the Hungarian Assembly and the parliaments of the 12 EC countries must carry out are part of the above mentioned series of further steps. In December 1991, it still seemed that this process would only take one year and, therefore, the Hungarian Assembly would have to ratify the agreement by the end of November. None of the EC member states has yet ratified the agreement, but the acceptance of the regulations adopted by the European Parliament is expected within weeks.

"The association agreement signed with the EC and its member states in Brussels on 16 December 1991 is the basis of Hungary's integration into Europe. This agreement expresses Hungary's commitment to European integration and outlines the legal framework of this process," reads the preamble of the bill submitted to the Hungarian Assembly deputies on 30 October.

According to the agreement, a free trade zone will gradually be created between Hungary and the EC states by 31 October 2000, and it will cover almost the entire trade. The agreement does not stipulate a totally free trade in agricultural products, but it facilitates the turnover of goods by providing considerable mutual advantages. At the same time, the agreement only stipulates the concrete system of trade in this area for five years.

The agreement will enable the free flow of manpower, services, and capital between the EC member states and Hungary and it will also open the process of harmonization with the EC regulations. It is extremely important for us that the agreement should formulate the principles and regulations according to which the EC can provide economic and financial aid to Hungary and should create adequate institutions in charge of carrying out and further developing the association agreement. An essential element of this association agreement is that it creates an institutional framework for the political dialogue aimed at gradually achieving a political convergence.

The agreement is asymmetrical: The EC will implement most of the trade benefits immediately or relatively quickly, while Hungary will have a delay of about three to four years. The EC will provide greater trade benefits in agricultural trade. It will provide some kind of days of grace by this asymmetry: Thus, Hungary will receive more than it provides between 1992 and 1995. These three years will be given for our products to catch up with the level of developed industrial countries and for us to be able to face the requirements of European free trade.

In connection with the fears expressed since the signing of the association agreement in December 1991, the preamble points out that the association agreement does not lead to giving up our national economic policy or other areas to the benefit of the EC. This question only arises with full membership. The decisionmaking organ of the association agreement, namely the association council, can only decide with the agreement of both sides. At the same time, the implementation of obligations deriving from the association agreement determines the decisionmaking process of the Hungarian economy in many areas.

As for the various articles of this association agreement, the part dealing with the free movement of goods contains the following essential points: According to the first point, with the agreement coming into force and during an interim period of 10 years at most, a free trade zone will be established between Hungary and the EC. The second point says that, in delivering goods to the EC, the combined nomenclature of the goods should be applied in classifying those goods, while the Hungarian customs tariff is to be applied to the classification of goods imported into Hungary.

According to the article dealing with the industrial products, with the exception of products listed in the addenda, which mainly refer to steel, textiles, and some so-called sensitive goods, the EC will gradually abolish import taxes on Hungarian goods according to the following timetable: At the moment the agreement comes into force, all customs will have to be reduced to 50 percent of basic customs duty. One year after the agreement comes into force, all the existing customs will have to be abolished. Regarding the aforementioned exception products, namely steel and textiles, the regulations stipulate that the basic customs duty will decrease by 20 percent annually, so that all the customs will be abolished by the end of 1995. It is worth mentioning here that 15 percent of Hungarian goods are textiles and clothing, while only 5 percent is steel. The aforementioned Article 9 stipulates that the quantitative restrictions on the import of goods into the EC and the other equal measures must be abolished at the time the agreement comes into force.

In the spirit of the previously mentioned asymmetric trend, Hungary will also provide customs benefits to products originating from the EC countries, but Hungary will increased these benefits gradually both in time and regarding various groups of products. The customs will be abolished in three installments. (Even today customs duty is zero on 10 percent of Hungarian imports.) We will abolish customs duty on 15 percent of all the imports in three phases: the moment the agreement comes into force, one year later, and two years later. All of this

means that this reduction in customs duty will generally not affect our production interests. It follows from the agreement that, beginning with January 1994, 25 percent of our imports from the EC will be duty free.

Regarding the bulk of Hungarian imports, the reduction of customs duty will last till the end of 2000, more precisely till January 2001, and it will be carried out in seven phases:

The basic customs duty will be reduced to 90 percent on 1 January 1995
To 75 percent on 1 January 1996
To 60 percent on 1 January 1997
To 45 percent on 1 January 1998
To 30 percent on 1 January 1999
To 15 percent on 1 January 2000, and
To zero on 1 January 2001

All this means that the abolition of customs duty on nonsensitive products will be quick, by 1995, but it will last from 1995 to 2001 in the case of other products.

In addition, we will also have quantitative restrictions, albeit not in a very wide range of goods, like textile and clothing goods, transportation goods (various vehicles), pharmaceutical products and telecommunication products. In addition, in the case of some goods, just like the EC, we will also formulate quotas, for example on cars, shoes, and drugs. In such cases, the import licenses will be automatically granted up to the given quantity. However, above the quota, import licenses will depend on the relevant ministries.

The regulations for agricultural products are basically different from those for industrial products because both Hungary and the EC will preserve their own agricultural and import policies. This means, for example, that Brussels will reduce the customs duty on 70 percent of our agricultural exports by 20 percent annually over the course of three years, under predetermined quantitative restrictions, with the provision that these quantities will increase by 10 percent over the course of five years. This means that Hungarian exports can increase by 50 percent in the coming five years, while customs will be reduced by 60 percent.

Separate regulations stipulate the trade in most sensitive Hungarian exports. For example, the Hungarian export of 5,000 tonnes of beef could increase to 6,500 tonnes over the course of three years. At the same time, we received no customs reductions whatsoever on our exports of sugar and dairy products, with the exception of cheese.

As for agricultural products originating from the EC, we provide half of what we receive both regarding the reduction of burdens and the easing of quantitative restrictions. Thus, if Brussels said that we would enjoy customs benefits of 20 percent annually in the course of three years, we only provide 10 percent annually for quantities increasing by 5 percent annually.

The articles of this association agreement that we have not yet dealt with also contain rather important regulations—like the issue of the flow of manpower where, according to the experts, we did not succeed in achieving real results—namely, the EC will not open its gates much wider for Hungarian manpower. However, regarding our financial cooperation, the association agreement already has a genuine result: We have already used aid worth 100 million European Currency Units, or $130 million, in the framework of the PHARE [Economic Restructuring Aid for Poland and Hungary] program.

'Skinheads' Leader Sees Unification of Movement

AU0511122892 Budapest MAGYAR HIRLAP in Hungarian 2 Nov 92 pp 1, 5

[Interview with Istvan Szoke, "patron of the Hungarian skinheads," by Laszlo Bartus at the Puszta Pension in Felsolajos; date not given: "The Police Provided Protection to the Skinheads"]

[Excerpts] The skinheads arrived in Kossuth Square in Budapest on 23 October under police protection, said Istvan Szoke, the patron of the Hungarian skinheads, who also told our correspondent that his organization has an increasing number of members all over the country. The young people who join his organization receive training in sports and will also have uniforms. "We must shed as much blood as necessary for the homeland," he pointed out, adding that no change in the regime had yet taken place in Hungary, and that power must be taken away from the Jewish elite. [passage omitted]

[Bartus] According to our information, you organized the skinheads at the festivities held in Kossuth Square in Budapest on 23 October.

[Szoke] These young people were former skinheads. At the national congress held in Kolumbus Street, they changed their name to the Independent National Youth Front. This organization has 1,500-2,000 members in Hungary. National delegates participated in the congress. The others only joined them in the square. We already have groups all over the country. Most people came from Eger, Veszprem, Szeged, Miskolc, and Debrecen on 23 October. [passage omitted]

[Bartus] Who is financing this enterprise?

[Szoke] Our organization is financed from the dues paid by the older members and from donations, and the young people travelled at their own expense. We will know in November whether we will get any state support.

[Bartus] What is the aim of this organization and what are you dealing with?

[Szoke] We are organizing the military and patriotic education of young people. These children are seeking

the formal military order that prevails in our organization. In the framework of camping projects, these young people receive sports training and physical education, and they will also have uniforms. [passage omitted]

[Bartus] How did you get to the Smallholders' Party?

[Szoke] The Smallholders invited me into their independent military tradition preservation faction, the party's military section, where we formulated the Smallholders' military concept. First, I became the head of the air defense group; later I became deputy chairman and deputy commander. Today, I am only involved with young people and with outside contacts, mainly with the various 1956 organizations, such as the National Federation of Political Prisoners [POFOSZ], the Committee for Historical Justice [TIB], and the National 1956 Federation. [passage omitted]

[Bartus] Why do we need such militaristic youth groups?

[Szoke] Partly because there are no active youth organizations, and this is very dangerous because young people can fall into either good or bad hands; and partly because there has been no change in the regime in Hungary.

[Bartus] Many of your people question the possibility of a peaceful transition. For example, Imre Bosnyak said that the slogan "We Will Start Again in March" is topical today. What is your opinion about this?

[Szoke] In my opinion, people will not be able to bear this situation until March. There could be radical political changes, or something else. We must shed as much blood as necessary for the homeland, but we hope to avoid this. The various 1956 organizations and their military sections are much involved in seeking one another out, and they will join forces sooner or later. I see a lot of opportunity in this to avoid any bloodshed.

[Bartus] In your opinion, is the power now in the hands of the old communists?

[Szoke] There have been no communists in Hungary for a long time; perhaps Janos Kadar hanged the last communists here. They were party members, particularly members of one ethnic group, who held power together with the social strata that joined and served them and with the help of Soviet arms, and they continue to hold power now though without Soviet arms.

[Bartus] Which "ethnic group" do you have in mind?

[Szoke] If possible, let us avoid using the language of anti-Semitism; instead, let us simply call them the "elite." This elite should be deprived of power because unless this takes place, it is useless to talk about a change in the regime.

Stability Behind Walesa Support for Bush

LD0611103392 Warsaw Third Program Radio Network in Polish 2200 GMT 5 Nov 92

[Text] Why did I support Bush? President Lech Walesa explains it to Polish television viewers:

[Begin recording] Only because Poland has already chosen a model and a direction of development. But this is only the beginning in Poland. We need stable and known partners to make our road to solutions easier. Every change, even for the better, brings uncertainty and a certain period for preparations. It would have been more useful for Poland to know a partner and to be more in tune with him. It does not mean at all that relations with President Clinton will not be better. But at this moment we need stability from others as we ourselves have no stability now. [end recording]

Trade, Cooperation Accord Signed With Croatia

LD0611095592 Warsaw PAP in English 1936 GMT 5 Nov 92

[Text] Warsaw, Nov. 5—Poland and Croatia signed an agreement on economic cooperation and trade exchange in Warsaw on Thursday [5 November].

The agreement, signed by deputy minister for foreign economic cooperation at the Croatian Ministry of Tourism and Trade Neven Mimica and Polish deputy minister for foreign economic relations Leslaw Podkanski, gives formal and legal grounds for all-round cooperation between both countries, based on the principles of a market economy.

Croatian firms offer Poland alcoholic beverages, paints, varnishes and processed food in exchange for fuel, raw materials and manufactured goods.

Military Cooperation Established With Greece

LD0611000592 Warsaw PAP in English 1649 GMT 5 Nov 92

[Text] Warsaw, Nov. 5—Defence Minister Janusz Onyszkiewicz announced on his return from a three-day visit to Greece on Thursday [5 November] that Greece, a NATO member, is ready to establish military cooperation with Poland. He also noted that this is evidenced by the signing of an agreement on military cooperation between the two countries.

"This cooperation will have various forms. It will include the production of arms and supply of versatile military equipment for the Army. To this end Greek partners have been acquainted with the capacities of the Polish defence industry," added Onyszkiewicz.

He stressed that his visit to Greece was aimed at establishing mutual contacts not only between the East and West but also between the north and south in order "to create a unified security system in Europe."

"Since Greece is just beginning to participate in U.N. peace-keeping forces, Poland offered it help on the matter," said the defence minister.

Macierewicz on Situation of Right-Wing Groups

AU0511131592 Warsaw NOWY SWIAT in Polish 2 Nov 92 p 2

[Interview with Interior Minister Antoni Macierewicz by Piotr M. Rudnicki, place and date not given: "Miracles Seldom Happen"]

[Text] [Rudnicki] What does it mean to be a right-wing politician in Poland today?

[Macierewicz] This is a long-standing tradition, representing a certain way of thinking and a certain attitude. It extols such values as the family, the nation, the fatherland, religion, law, and ownership. In Poland, it also includes a constant longing for and struggle for an independent and sovereign country and its protection. That is very important because our history has seen groups that did refer to these traditional values, but nevertheless acted to the detriment of the country. An example of this is the Targowica conspiracy [of noblemen in 1791 who were opposed to Poland's new democratic constitution and encouraged the Russians to partition Poland]. This syndrome repeated itself after 1945, in the shape of a Catholic organization that employed right-wing slogans, but did everything it could to keep independence from Poland. We are facing a similar problem these days. There is a great danger that this same syndrome will repeat itself yet again through the activities of some politicians. That is why I keep stressing the question of independence and statehood.

[Rudnicki] Could you describe the recently-formed Polish Convention that describes itself as moderately right wing? Some people claim that Aleksander Hall was asked by some of his Democratic Union colleagues to set up a pseudo-right wing alternative to Olszewski and Kaczynski, or, in other words, a kind of "Trojan horse."

[Macierewicz] A lot of people have said that. That opinion is no doubt the outcome of Hall's activity over the past few years and his close links with Democratic Union policies, not to mention his participation in the Mazowiecki Government. I personally do not wish to make any criticism, but I am sure Hall is firmly connected to the right-wing tradition. The problem is that this right-wing tradition does not always proceed in the direction of the right. I hope it will do so in the end, but for the time being the saying "I'd like to go to the right, but I'm stuck on the left" still holds good.

[Rudnicki] What is the main objective of Jan Olszewski's Republic Coalition?

[Macierewicz] To win seats in the government and whip up broad social support. Either the Poles show that they want independence, or they will sink deeper into the mud, hoping for a miracle. Miracles seldom happen.

[Rudnicki] What direction do you think the Center Accord will take? It looks like it has to make a serious choice now.

[Macierewicz] Indeed, the Center Accord is facing the same dilemma it managed to resolve previously. Its politicians must decide whether their party is to be a genuinely center-right wing one. If so, the path to an accord with the Republic Coalition is open. I think the latest decision by the Center Accord and statements by its leader, Jaroslaw Kaczynski, show that the party is aware of this dilemma and that it will join our Republic Coalition.

Ministry Proposes Protectionist Measures

AU0511130292 Warsaw GAZETA WYBORCZA in Polish 31 Oct-1 Nov 92 p 1

[Report by Anna Gasiorowska: "Worse, But Dearer"]

[Text] The Agriculture Ministry is proposing that legislation be passed making the countervailing charges temporarily imposed on imported foodstuffs permanent. Everyone—both advocates and opponents of the idea—acknowledge that prices would rise as a result.

We have learned that agreement has already been reached with the Finance Ministry, the Central Office of Planning, the Ministry of Foreign Economic Cooperation, and the Main Office of Customs on a draft law "on compensatory charges on certain agricultural products and foodstuffs imported from abroad." Only the Anti-Monopolies Office has expressed any reservations. The draft law will shortly be considered by the government.

The Agriculture Ministry has already succeeded—by means of a Council of Minister directive—in introducing minimum duty levels on imported eggs (25 percent) and sugar (40 percent). It has also been announced that—by means of directives as well—minimum duty levels will also be imposed on meat, butter, fruit, and vegetables. However, these levels of duty are to be of a temporary kind.

Under the draft law proposed by the Agriculture Ministry, importers of foodstuffs and agricultural products for processing that are cheaper than those produced domestically would have to pay countervailing charges at the border.

The list of commodities to which the charges would apply would be determined by the minister of agriculture in agreement with the minister of foreign trade.

The Agriculture Ministry maintains that it is true that initially food prices "might rise somewhat," but that in the longer term the consumer will benefit because market prices will become more stable and agriculture, thanks to the higher income, will be able to modernize.

Of the specialists that we approached, only Halina Flis-Kuczynska supported the introduction of these countervailing charges. She said: "A trade policy that permits the free entry of goods from abroad, but at prices that will not destroy our agriculture, is what is needed and will benefit all of us. If such charges are imposed sensibly, they will not damage the food market, but, on the contrary, if competition is completely fair (in contrast with the present situation), they can force the worst producers out of the market."

The importers of foodstuffs whom we asked about the effects of legislation introducing countervailing charges maintained that an increase in food prices would be inevitable. They predicted that it would curb imports for at least a time.

Malgorzata Niepokulczycka of the Consumers Federation believes that the protectionist measures being proposed by the agriculture minister do not require domestic producers to take any action. No one is considering how the prices of domestic goods could be lowered, although that is the surest way of becoming competitive in relation to imports. Domestic goods cannot enjoy a preferential position simply because they are Polish. Competing against imported goods should have a galvanizing effect on Polish producers. The introduction of charges of whatever kind is an excellent pretext for raising prices, and that will hit consumers.

"Charges of this countervailing kind can only be introduced for a very short period of time," Professor Waclaw Wilczynski told us. "I am vehemently opposed to interventionism on a permanent basis. It allows for central planning through the back door. We have a respectable trade balance and the level of revenue derived from levying duty is not indispensable."

Professor Antoni Leopold thinks that "the law would protect domestic producers very one-sidedly, without promoting exports or protecting consumers in any way." He added that passing such a law could jeopardize our associate membership of the EC.

Politicians View Bush Term, Clinton Victory

AU0511214892 Bucharest ROMPRES in English 1304 GMT 5 Nov 92

[Text] Bucharest, ROMPRES 5/11/1992— "It was the American people's will that Bill Clinton should be president and we must understand that this is what democracy is all about. Nobody is stuck to power," I.V. Sandulescu, secretary of state in the Ministry of Foreign Affairs, first vice-chairman of the National Liberal Party, quoted by the newspaper CURIERUL NATIONAL. The paper also includes opinions on the results of the presidential elections in the U.S.A. by leaders of political parties represented to the Romanian Parliament: Oliviu Gherman, chairman of the Democratic National Salvation Front, president of the Senate: "I think Bill Clinton's election as president of the U.S.A. is a prerequisite for the improvement of the image that the United States should have of Romania."

Senator Corneliu Coposu, chairman of the Christian and Democratic National Peasant Party and chairman of the Democratic Convention of Romania: "Unfortunately, it was Clinton's deputies who refused to grant (Romania) the (most-favored-nation) status. Therefore, our efforts to change Romania's image will have to be augmented."

Crin Halaicu, mayor-general of the capital city, member of the National Liberal Party: "The Bush administration had started to have another opinion about us, but now we categorically have to start it all over again and do so properly."

Sergiu Cunescu, chairman of the Social Democratic Party: "I regret President Bush, who was a great political personality." [sentence as received]

Ion Ratiu, representing the Christian and Democratic National Peasant Party, deputy speaker of the Chamber of Deputies: "I would have preferred Bush to be reelected because he had proved firmness in foreign policy in particular and I think the U.S.A.'s prestige grew a lot during his administration."

Alexandru Popovici, vice-chairman of the Civic Alliance Party: "From the viewpoint of Romania's interests it is less important who the president is. Do not let us forget that despite the administration's recommendations the Congress refused to grant us the (most-favored-nation) clause."

Senator Florin Velicu, representing the Democratic Agrarian Party: "the Bush Administration did not understand Romanian realities and the Romanian phenomenon and did not support us too much... It would be disappointing if Bill Clinton took the attitude that Bush did."

Ioan Gavra, vice-chairman of the Romanian National Unity Party and deputy speaker of the Chamber of Deputies: "The United States is reborn and the spirit of the 1960's makes a triumphal comeback at the White House owing to Bill Clinton's political intuition and charm. With all that out hope in a total openness of Romanian-U.S. relations."

Ioan Manzatu, chairman of the Republican Party: "The Democratic Party and its representative, Bill Clinton, analyzed the mistakes of the Republican Administration, sensed the U.S. voters' wish to see renewals and won."

Gheorghe Pele, foreign relations secretary of the Socialist Party of Labor: "Most of the us electorate voted for change. Bill Clinton's victory was predictable if we consider the fact that the Americans wanted change."

Senator Attila Verestoy, representing the Democratic Union of Hungarians in Romania: "Clinton represents growing attention for the citizen's everyday life".

New Prime Minister Discusses Economic Issues

AU0511202692 Bucharest ROMPRES in English 1953 GMT 5 Nov 92

[Text] Bucharest, ROMPRES 5/11/1992—At the Thursday [5 November] news conference held by the Democratic National Salvation Front (FDSN) premier designate Nicolae Vacaroiu, who was invited to attend it, stated: I am a member of no party but there is no difference between my governing programme and FDSN's. The State should strengthen its role in its capacity as owner till privatisation is accomplished, and so must be done with the control over the administration of property because it is a public property, the people has worked for it and the government must safeguard it from being no longer destroyed as it has happened so far. The government-parliament relationship must be based on permanent dialogue, all while constitutional provisions are observed. The future ministers may and may not be politicians. Yet, they must well know the activity they are to coordinate.

The premier designate announced that in seven to eight days at the most he was to forward an account to parliament regarding the current economic situation and the executive's programme for winter and throughout and 1993. I am a man of reform, he said, but it should be a reform that considers the specific conditions of this country. It should be mended in point of social welfare. It is hard to build a market economy since that can be done only over a long period of time, the premier designate pointed out.

At the same news conference, FDSN vice-president Adrian Nastase showed: They did not accept a national unity government, they did not accept a government made up of experts and backed by political parties. They wanted a target government to include FDSN members or to be helped by FDSN. In such conditions it matters no longer whether it consists of politicians, FDSN members or experts proposed by FDSN. The cabinet will probably be a mixture led by an independent fully backed by only one political party—FDSN. However, it

may also be supported by other parties though FDSN assumes the responsibility to rule. The premier designate is concerned above all over the problems facing Romanian society, and the government he is to head will not be a coalition. Nevertheless, the prime minister may apply to all personalities, whatever their political beliefs. The opposition has no reason to reject the new government formula because it must give it a chance to prove whether it is good or not.

Vacaroiu Supports 'Continuation of Reform'

AU0611095092 Bucharest ROMPRES in English 0915 GMT 6 Nov 92

[Text] Bucharest, ROMPRES 6/11/1992—In an interview granted to the Romanian Television in the evening of November 5, Nicolae Vacaroiu, the new premier appointed to form the new Romanian Government, appreciated that the Romanian economy is in a difficult period and a total engagement is necessary to overcome it. Remarking that the transition involves social costs hardly supported by the population, especially by certain categories of citizens, Nicolae Vacaroiu mentioned the necessity of finding solutions for their diminution. In his opinion it is necessary the continuation of the reform, which does not mean the automatic application of a pre-established strategy but the periodical analysis of the arising phenomena and elaboration of interventions to correct them. As he had stated in an interview with daily ADEVARUL of November 6, the new premier declares himself "a partisan of the reform and of the consolidation of democratic processes." I am for an analysis and openness in debate with politicians, with parliamentarians, with trade unions to find the best formulas and variants to overcome this difficult period, Mr. Vacaroiu also stated in his interview with the Bucharest daily.

Foreign Ministry Reports Policy Guildlines

AU0611114092 Bucharest ROMPRES in English 1010 GMT 6 Nov 92

[Text] Bucharest, ROMPRES 6/11/1992—The major guidelines of Romania's foreign policy strategy over October 1991-October 1992 were, according to the report on the activity of the Ministry of Foreign Affairs recently released for the press in Bucharest: the safeguarding of the independence and integrity of the country; the national security; the appropriation and insurance on an international plane of a role strongly related to the natural; economic and human potential of the country in its geo-strategic position; the granting of assistance for the reform and for the process of democratization of the country; the creation of prerequisites for the achievement of a prospect reintegration inside the historic and natural frontiers of Romania; the assertion of the Romanian spirituality on an international plane; and the adoption of new, open stands regarding the Romanians in the diaspora.

The report appreciates that on formulating the basic guidelines of Romania's foreign policy over this period, parliamentary political forces as well as experts of non-governmental institutes and organisation were involved through the agency of the Consultative Council of the Ministry of Foreign Affairs.

According to the report, the European dimension given to the Romanian foreign policy and Romania's connection to the European structures were granted special consideration. As for the connection of Romania to the Euroatlantic political and strategic structures, to the NATO and the West European union structures, the report reviews various forms of collaboration carried on over this period within those international organisations. Romania actively promoted the relations of partnership with the NATO, says the report, advancing various proposals related to national security and stability within the region which were included on the agenda of the North Atlantic Cooperation Council.

According to the same document, a major objective had been the speeding up of the process of integration within West European economic structures. The entering into force of the trade, commercial and economic cooperation agreement between the European Community (EC) and Romania marked the beginning of normality in the relations with the EC, the report went on. Until the end of the year, an association agreement of Romania to the EC is to be signed and approved. Also mentioned is the fact that on 20 October 1992 an agreement on the setting up of a permanent representative office of the EC in Bucharest had been signed.

Efforts were made for Romania's integration within European structures, for improving of fresh relations with the member countries of the European Free Trade Association (EFTA), for growing close relations with the Group of 24 and with the European Space Agency, the document went on. Being invited as guest to the Council of Europe since the beginning of 1991, Romania participated in fact to all the activities organised by that body, conditions being offered to grant Romania membership with full rights of the Council of Europe in 1993, says the report.

During the CSCE meetings held over the period covered by the report, the Romanian Foreign Ministry identified and promoted ways, structures and mechanisms which could ensure the observance of the democratic principles, norms and values of the Helsinki initiated process, for drawing up the future activity of the CSCE as the guarantor of the security of all participant states and promoter of cooperation in favour of democracy, prosperity and equality of rights as regards security. The report recalls that 18 Romanian proposals had been advanced during the meetings.

During the preparatory meetings of the top level conference of the CSCE member countries in Helsinki, as well as to the proper conference, Romania brought its contribution positively appreciated by other participant states as regards the adjusting of CSCE structures to the new geo-political climate on the continent, as well as the

drawing up of the CSCE economic dimension by setting up an economic forum to assist the countries in the process of transition.

Moreover, the report shows that Romania acted within the bodies set up by the Paris Charter—the Prague CSCE Secretariat, the Centre for the Prevention of Conflicts in Vienna, the Bureau for Democratic Institutions and Human Rights in Warsaw—for creating a true image of Romania inside the CSCE countries.

Also mentioned is the fact that the Romanian Foreign Ministry actively participated over the mentioned period in the debates over the drawing up of the concept of "a new Europe" and made a thoroughly study at a concept level over the issues implied by the building of a new Europe.

IMF Delegation To Recommend Delivery of Loan

AU0511183392 Bucharest ROMPRES in English 1710 GMT 5 Nov 92

[Text] Bucharest, ROMPRES 5/11/1992—Romania meets the requirements to receive a new loan from the International Monetary Fund, Mohtin Khan, head of the IMF delegation now in Romania, showed on Thursday [5 November] when received by President Ion Iliescu.

The guest stated that the delegation would recommend the International Monetary Fund that the next loan—worth of about $75 million—be given. In his opinion it will happen at the end of this month.

According to Mohtin Khan's statement, the aim of the International Monetary Fund mission to Romania is to obtain information about the achievements in the economic sector and to discuss with the Romanian Government the reform measures having been adopted until now.

Serb Republic Leader Congratulates Clinton

LD0511161992 Belgrade TANJUG Domestic Service in Serbo-Croatian 1851 GMT 4 Nov 92

[Text] Belgrade, 4 Nov (TANJUG)—On behalf of the Serb Republic [in Bosnia-Hercegovina], Momcilo Krajisnik, chairman of the National Assembly of the Serb Republic, congratulated Bill Clinton on his victory in the U.S. presidential elections. In a statement for the Serbian SRNA News Agency, Krajisnik stressed that he is expecting Clinton to make a positive turn in U.S. foreign policy.

Izetbegovic Thanks Iran for Support

LD0511171592 Tehran IRIB Television First Program Network in Persian 1530 GMT 5 Nov 92

[Report on "exclusive interview" with President Alija Izetbegovic by telephone at his residence in Sarajevo by unidentified Tehran television correspondent on 5 November, "on the occasion of the declaration of the week in support of the oppressed people of Bosnia-Hercegovina"]

[Text] [Correspondent] Today, in an exclusive interview with the Voice and Vision of the Islamic Republic of Iran, Alija Izetbegovic, the Muslim president of Bosnia-Hercegovina, declared that the Muslims and officials of the republic are grateful to His Eminence Ayatollah Khamene'i, the leader of the Islamic revolution, and to the government and people of the Islamic Republic of Iran, for declaring their support for the Muslims of Bosnia-Hercegovina.

In the interview, which took place at his residence in Sarajevo, he said:

[Begin Izetbegovic recording in English, fading into Persian translation] The news of the declaration of the week in support of Muslims of Bosnia-Hercegovina in the Islamic Republic of Iran has reached our people. We are grateful to His Eminence Ayatollah Khamene'i and Hojjat ol-Eslam Hashemi-Rafsanjani, the president, and also to the honorable government and people of Iran for this humanitarian initiative. In the past, too, we have enjoyed the support of the Islamic Republic of Iran. [end recording]

He added: At present the Republic of Bosnia-Hercegovina is facing an unequal, savage act of aggression, which is not just a war. This aggression continues from all sides against Islam and against Muslims in Bosnia-Hercegovina, and involves the daily massacre of civilians and the destruction of towns.

He said: In the defense of the republic so far, we have more than 100,000 dead and 1 million homeless. The Muslims of Bosnia-Hercegovina need help. I thank the honorable people of Iran and hope that the Islamic Republic of Iran continues to support us.

In conclusion, the president of Bosnia-Hercegovina once again thanked the Islamic Republic of Iran, and the leadership, government and people of Iran.

Sarajevo Demilitarization Talks Halted

LD0611093992 Zagreb Radio Croatia Network in English 0905 GMT 6 Nov 92

[Text] The three warring parties have not made any progress in the UN plan for the demilitarization of Sarajevo. The talks were halted after the Serbian representative was taken ill and Croatian and Muslim representatives refused to accept the army colonel sent in his stead.

Sarajevo's physicians have warned that contaminations on a massive scale are imminent since entire city blocks have not been able to clear up rubbish or other throw-away products.

UN Forces Official Holds News Conference

LD0511185192 Belgrade TANJUG Domestic Service in Serbo-Croatian 1412 GMT 5 Nov 92

[Excerpts] Belgrade, 5 Nov (TANJUG) - Cedric Thornberry, director of the civilian sector of UN Protection Force [UNPROFOR], warned today that inhabitants of Bosnia-Hercegovina are threatened with hunger in the most literal sense of the word. [passage omitted]

The main headquarters of the UNPROFOR Command for Bosnia-Hercegovina is in Keseljak. The advance parties of the French, Canadian, Spanish and British battalions are in the field, and we can expect their completion by mid-November. Three French battalions are deployed in Bihac, from where they have been following humanitarian convoys.

At this moment 18,500 people are involved in the UNPROFOR mission on the territory of former Yugoslavia, but the precise number is difficult to establish because of the constant arrival of forces, Thornberry stated.

Since the beginning of their mandate until today, the UNPROFOR has lost 19 members, while the number of wounded reached 289 people.

Speaking about the ban on flights over Bosnia-Hercegovina, Thornberry informed the journalists that an agreement was signed on Monday [2 November] between Croatia, UNPROFOR and the Federal Republic of Yugoslavia, while the following evening UNPROFOR, the Bosnia-Hercegovina Presidency and Dr. Radovan Karadzic [Bosnian Serb leader] signed the same agreement.

UN observers will be deployed in all three states tomorrow to oversee the implementation of the agreement, Cedric Thornberry said.

Speaking about the situation in the UN-protected areas in Croatia, Thornberry said that the North and West

sectors were generally peaceful. Over the past seven days several incidents have happened in the North sector because of the presence of the Croatian Army and the border police in the cease-fire zone, Thornberry said.

The Vance plan is most successfully being implemented in the West sector. Most important, Thornberry continued, is that visits by displaced people to villages from which they fled are increasing. Around 1,500 refugees toured approximately 50 villages in order to reach an agreement on when they were going to return to their homes and start with reconstruction. Thornberry added that the Austrian Government is ready to donate 500 prefabricated houses for the inhabitants of that area.

However, the UNPROFOR top-ranking official said that there were 10 incidents in the West sector over the past few days, due to which the Canadian battalion carried out a search of houses and seized a larger quantity of weapons.

In the East and South sectors the state of anarchy, terrorism, and inertia of the administration of justice and the police have not changed, Thornberry said. Killings on ethnic bases are less frequent but still occur. They are generally directed against old and abandoned persons of Croatian nationality and members of other minorities.

Thornberry stressed that such examples also exist on the other side, with Serbs living on territories under the control of the Croatian authorities.

Particularly in the South sector, the Croatian side is threatening the cease-fire line, and in some cases it has reached the confrontation line. Thornberry said that the special police, armed with heavy weapons, are present at the confrontation line. The Croatian side explained this by the fact that the disarmament of the so-called special police did not take place.

The upper tunnel of the Peruca hydroelectric power plant is filled with 15 tonnes of explosive, according to the findings of British engineers, which represents a direct threat to a few thousand inhabitants in the vicinity of the dam. According to Thornberry, UNPROFOR does not know who planted the explosives. It has been trying to remove them, and in this counts on help from the Knin authorities.

As regards the Maslenica bridge [near Zadar], all agree that it should be repaired, but nobody has rolled up his sleeves, he noted.

Although the East sector is relatively peaceful, according to what UNPROFOR has learned, the number of armed police is on the increase and has reached the number of approximately 5,000, which is at odds with the Vance plan. Thornberry said that despite assurances he is not sure that these forces are under the control of Milan Martic [Serb Krajina interior minister]. He accepted Martic's invitation to tour several police stations.

Thornberry diplomatically described a recent meeting between top-ranking UNPROFOR representatives with the Knin authorities as a "very sincere meeting." He said that Goran Hadzic [Serb Krajina president] offered assurances that he accepted the Vance plan and that he would "like it best if the plan were immediately implemented." To this statement Thornberry said: "God keep me free from sin, but take your time."

Cedric Thornberry stressed that UNPROFOR let both the Knin and the Croatian authorities know that "there is no time to lose." He recalled that UN Security Council Resolution 762 on pink zones, which envisages the gradual reestablishment of the Croatian Government, represents the central part of the Vance plan. "If somebody refuses the resolution, let him say so immediately, and find another solution. I doubt that the UN Security Council would tolerate both the postponement and the partial implementation of the Vance plan, Cedric Thornberry said in conclusion.

Izetbegovic: 'We Will Have To Live Together'

93BA0132D Belgrade BORBA in Serbo-Croatian 22 Oct 92 p 12

[Interview with President Alija Izetbegovic by Mirko Klarin in Geneva; date not given: "We Will Have To Live Together"]

[Text]*Talks with President Cosic were useful and carry political weight. There is no basis for speculation that Presidents Cosic and Tudjman have reached an agreement at the expense of Bosnia-Hercegovina. "In Tudjman's place I would have done the same thing: I would have tried to liberate the territory that had been taken away from me." Maps will have to be drawn—they are a constituent part of a constitutional settlement for Bosnia-Hercegovina.*

Geneva—When Izetbegovic arrived on Sunday [18 October] evening, he was met in Geneva by rumors and speculation about a "coup" or "putsch" in Sarajevo. Advisers to Alija Izetbegovic, the current (only for a few more weeks?) "rotating" president of the Presidency of Bosnia-Hercegovina, assured suspicious journalists that his arrival in Geneva was "the best proof of the groundlessness of rumors about a coup." "We will believe it when we see it in Sarajevo," the professional doubters responded to these denials.

"I will return to Sarajevo tomorrow or perhaps the day after," Alija Izetbegovic tells BORBA, explaining that the situation in the Bosnian capital is "normal," but that "these are rumors" circulated as part of the "special war," the goal being to "create confusion."

[Klarin] Still, you have not been in Sarajevo for some time now?

[Izetbegovic] I have been visiting the battlefields.

[Klarin] What have you seen there?

[Izetbegovic] I can tell you that there is more free territory than I thought. I have visited all the cities, and have been on the road for 12 days.

[Klarin] Which cities?

[Izetbegovic] Most of all Mostar, and then Konjic, Jablanica, Gornji Vakuf, Bugojno, Novi Travnik, Travnik, Zenica, Tuzla, Visoko.... I am mentioning here only the cities in which I stopped. And then I was in Majevica, in Igman, in Tarcin....

[Klarin] What are your impressions from the battlefield?

[Izetbegovic] I left on my tour immediately after the fall of (Bosanski) Brod. Naturally, after the fall of that city the prevalent mood was a little depressed, and I was afraid of a moral, psychological, and even technical blow on our northern front. Because the fall of Brod created major confusion. A little earlier I had spoken with Croatian President Tudjman, and even he does not know all the circumstances that led to that. So he says. I have the impression that he really does not know. I was there on the eve of the fall and I saw the general confusion that prevailed. We tried to understand the reasons why this was happening, why there was so much panic. The bridge was mined and could have been destroyed any minute, the people were afraid to stay on this (the Bosnian) side, to fall into the hands of the chetniks, there was panic and the city's defenses were weakened....

After Brod was captured, the forces involved in its siege were able to go on the offensive against Brcko and especially Gradacac. There were strong attacks, and I was afraid that the front would be undermined. But now you see, the front is holding, and even consolidating. The situation is rather stable. A certain shortage of ammunition is being felt, but morale is very high and we even have weapons. I think that the chetniks will be held back, both down in Hercegovina and in the north. Naturally, it is hard to predict things, but those are the soldiers' assessments....

We Must Talk to People Not Involved in Genocide

[Klarin] Let us move to politics. What is your assessment of the talks that you have held in Geneva with Presidents Cosic and Tudjman?

[Izetbegovic] As far as the talks with Cosic are concerned, everything is contained in the statement. There is nothing that was discussed that is not included in that statement. The initiative came from FRY President Cosic, and was supported by the vice presidents here in Geneva. We asked ourselves if there was any reason for us to go to these talks and we decided that there was, that we must talk, especially with people who are not directly involved in the genocide in Bosnia-Hercegovina. We must talk, and I think that the talks were useful. They confirmed once again the decisions reached at the London Conference; the shortcoming is that there are still no mechanisms for implementing them. That is the malady that plagues all these resolutions and declarations of ours, but that does not mean that declarations should not be adopted.

[Klarin] What did you talk about with President Tudjman?

[Izetbegovic] With Tudjman it was an incidental conversation, in haste. Nothing special.

[Klarin] Does that mean that there are no controversial issues between you?

[Izetbegovic] Such issues always exist. Life always raises some controversial issues, and they are resolved as we go along, as you see.

Bosanski Brod Is Not the Price for Prevlaka

[Klarin] After the first meeting between Presidents Cosic and Tudjman, there was speculation that they had reached an agreement—at your expense?

[Izetbegovic] The most important provision in their first agreement concerned the demilitarization of Prevlaka, and that is something that does not concern third parties. That relates to Croatian-Serbian relations, although part of the army withdrawing from Prevlaka could be deployed in Hercegovina. But I would not be able to regard that as some sort of deal made behind my back. In Tudjman's place I would have done the same thing: I would have tried to liberate the part of the territory that had been taken away from me. We have no objections whatsoever here.

[Klarin] Some people believe, however, that Bosanski Brod was the price paid for Prevlaka?

[Izetbegovic] Those are hypotheses, you know. Probably the result of a coincidence between these two events. I do not believe that the fall of Bosanski Brod would suit Croatia, for several reasons. I repeat that I was there before the fall and that I talked with people there. Everyone said that their situation was critical, that they could hold out another two or three days. I personally think that those two events were not connected. Anyway, Croatia would have no reason to surrender a city with a majority Croat population....

[Klarin] Recently in Geneva, Prime Minister Panic and President Cosic held talks with Mr. Zulfikarpasic, your political rival. According to some statements, they even regard him as a "moderate alternative to Izetbegovic." Does that bother you?

[Izetbegovic] I too had a personal meeting with Mr. Zulfikarpasic yesterday. First of all, I cannot stop them from meeting, nor do I think that that would be sensible. Everyone must talk with everyone else. That does not bother me in the least. But Mr. Zulfikarpasic leads a small party with only two deputies in our parliament. I do not see how he can be an "alternative" with that amount of political influence.

[Klarin] In recent times, there have been three reproaches directed at you from elsewhere in the world. First, that you are counting too much on foreign military intervention?

[Izetbegovic] I am not counting on that.

[Klarin] Second, that you deny the presence of the Croatian army in Bosnia and, especially, in Hercegovina?

[Izetbegovic] There are very few regular Croatian units down there, an insignificant number. They could be present along the Dubrovnik front because, as you know, the borders are not drawn clearly there. There are military forces of the Croatian Corps in Bosnia-Hercegovina, certainly, but regular units of the Croatian armed forces are either nonexistent or insignificant.

[Klarin] The third reproach is that you choose with whom you will negotiate, or rather that you do not wish to negotiate with your enemies, even though it is only with them that you can conclude an agreement and achieve peace?

[Izetbegovic] They say that it is senseless to talk with friends, that it is like talking to yourself. I do not agree; talks with friends are necessary.... We would talk with our enemies. We say that we cannot talk with criminals. The problem is that our enemies have turned into criminals. Because these are not ordinary enemies, these are enemies with genocide against the Muslim people on their conscience.

[Klarin] In Geneva it is once again fashionable to "draw maps" of future "states," "cantons," or "regions" of Bosnia-Hercegovina. What is your view of that?

[Izetbegovic] Maps will have to be drawn. That is in keeping with our two basic principles for structuring Bosnia-Hercegovina. The first principle is a democratic, secular state, and the second is a decentralized state. And that means that we want a state divided into several regions, or rather organized by region. These regions will have to be drawn on the map. Accordingly, the drawing of maps in and of itself, within an independent Bosnia-Hercegovina, within the existing borders, is clearly not a bad thing. What these maps look like is a different matter. We think that they should not be drawn according to ethnic lines and we feel that this is not possible, given the fact that this is a mixed nation. But maps are a constituent part of a future constitutional solution for Bosnia-Hercegovina.

[Box, p 12]

Alongside Each Other

[Klarin] In interviews after their first agreement, Presidents Cosic and Tudjman expressed their support for a partition of Bosnia-Hercegovina among the three constituent nations, asserting with one voice that Serbs, Croats, and Muslims can no longer live together. Can they, in your opinion?

[Izetbegovic] That theory is dangerous for Bosnia-Hercegovina. However, the extent to which it is accurate is a different question. There are things that do not please us, but are simply facts. Facts, they say, are stupid, senseless, obstinate... but they are facts.

[Klarin] Do you think that this is already the de facto situation?

[Izetbegovic] If the war continues as it is, then that will become the de facto situation. Naturally, we are talking here primarily about whether Serbs and Muslims can live together. We are still sticking to one slogan, so to speak: To us, all Serbs are not chetniks. We cannot live with chetniks, but we can live with Serbs. We cannot count or confirm how many chetniks there are among the Serbs; it is up to the Serbs to respond to that and clear that up. But nevertheless, we will have to live together in the future, or if not together then alongside each other. Indeed, just as the French and Germans waged war three times over the past 100 years, and now it does not bother them to live together.

[Box, p 12]

Not Only Wishes

[Klarin] The joint statement on your talks with President Cosic has been dubbed the "nice wish list."

[Izetbegovic] Fine, but given the problems surrounding the interpretation of that statement it is nevertheless clear that its contents are not exactly unimportant. If it were simply a "wish list," there would be no problems whatsoever. What it involves are certain political messages that carry weight. One can clearly see messages here, ours to them and theirs to us, messages to the chetniks in Bosnia-Hercegovina, and so on. Still, there is confirmation here of the borders, of their inviolability, of the fact that these are state borders, there is moral and political condemnation of ethnic cleansing.... All of these are very clear messages.

Boban Questions Legitimacy of Izetbegovic Rule

LD0511215492 Belgrade TANJUG Domestic Service in Serbo-Croatian 1205 GMT 5 Nov 92

[Text] Zagreb, 5 Nov (TANJUG)—Mate Boban, president of the Croat community of Herceg-Bosna, said in an interview for the "GLOBUS" weekly of Zagreb that Alija Izetbegovic's rule in Bosnia-Hercegovina was just "formal." According to Boban, Croats "are trying to retain its legitimacy and legality" by participating in it.

Asked about the state of relations between Croats and Muslims, Mate Boban said they were not fighting at the moment but that relations were "very tense." Izetbegovic and I have undertaken the task of improving and easing the situation on the ground, Boban said. He added that it was not yet agreed who would be the next president of Bosnia-Hercegovina after Alija Izetbegovic steps down, but "it must be a Croat" if cooperation and friendship are to be reestablished.

Cyrus Vance and David Owen [cochairmen of the Geneva Conference on Yugoslavia] did not propose a Bosnia-Hercegovina constitution. What was put forward is not a formal, legal document but a political blueprint for a discussion, Boban stressed, noting that this proposal would see that provinces would be set up "in a quite satisfactory form." Our vision of a Bosnia-Hercegovina organization is very similar to this proposal, Boban said. "We have two options: Either Bosnia-Hercegovina does not need an army at all, or there will be an army in which Serbs, Croats, and Muslims will be represented equally with an independent and joint command", Boban said.

He stressed that a division of Bosnia-Hercegovina was not in Croatia's overall national interest. "If Serbs reject Vance and Owen's proposal, then they give both us and the Muslims a clear indication that we must realign our visions of the Bosnia-Hercegovina political system. If two sides say that Bosnia-Hercegovina must be organized in this or that way, then the third must accept it," Boban said.

Visiting Russian General Says Serbs Need Help

AU0511134192 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 5 Nov 92

[Text] I have come to Hercegovina to observe the situation and I have seen for myself what the truth is; that is, who is defending himself and who is the aggressor, said General Viktor Filatov, member of the General Staff of the Russian Army who is currently visiting Serbian Hercegovina. I am going to convey to my comrade officers and generals in Moscow, Filatov went on to say, that this is a veritable aggression against the Serbs. The position of the Serbs is good, but they also need help from the Russians, Gen. Filatov said.

War Crimes Commission on Concentration Camps

93BA0149A Zagreb VECERNJI LIST in Serbo-Croatian 1 Nov 92 p 9

[Article by K. Fikic: "Genocide Continues"]

[Text]*The concentration camps being kept by the Serbs have not diminished in number even since they were uncovered; more than 100 are open in Bosnia-Hercegovina, while 10 concentration camps for Muslims and Croats have been uncovered in Serbia and Montenegro. VECERNJI LIST is the first to publish excerpts from the extensive evidence gathered by the Commission of the Bosnia-Hercegovina Government for Investigation of War Crimes.*

The Government of Bosnia-Hercegovina has investigated crimes against the civilian population in that internationally recognized state and has determined that the number of concentration camps that are open in the territory of Bosnia-Hercegovina under occupation by the armed forces of the former Yugoslavia and by Serb terrorists is not decreasing. The camps have been exposed and the corresponding international institutions and responsible political factors in the world have been notified of them, and the Bosnia-Hercegovina Government recently handed over to all competent world institutions proof of the horrible crimes and genocide against the population of Bosnia-Hercegovina. VECERNJI LIST has selected part of this material and is the first to publish the candid testimony of witnesses, former camp detainees, representatives of the HVO [Croatian Defense Council] and of the Bosnian Army, and especially of women and mothers, who have suffered the most horrible mistreatment in this war. There are still more than 100 of them in Bosnia-Hercegovina, while 10 concentration camps have been uncovered in Serbia and Montenegro.

Instead of doing away with the concentration camps as a fundamental condition for the protection of the right to life, the actions of the relevant international institutions, especially the International Red Cross, have been limited simply to registering the camps. Actions by international institutions to disband the camps and exert pressure on the Serbian aggressor are moving very slowly. The material warns that the majority of the death camps (only a minor share of the concentration camps are transit camps) have only one goal: ethnic cleansing and the destruction of the Muslim and Croat population.

Slowness of International Institutions

The slowness and inefficiency of international institutions, as well as of the administrators and operatives in the field, have directly enabled the occupiers and Serb extremists to kill several tens of thousands of camp detainees all over the occupied part of Bosnia-Hercegovina since 2 August (when the shocking pictures of concentration camps were broadcast around the world). During the first days of August, it was primarily the "old," worse-off camp detainees who were being killed. The Serbian aggressor "hid" them from the eyes of the world. Lately, the aggressor has been cramming thousands of detainees into trucks and sending them down a road into the unknown, just to kill them on the way and then bury them in unknown locations. A separate fate is suffered by healthy young men, who could recuperate if they were free. New young and old men were taken away to camps in Bosnian Krajina, where they were fed, treated well, and then shown off to the world. The Serb extremists are also stepping up their killing of educated and sturdy men and women in the occupied villages, while the number of murders of passion has also increased.

The Commission of the Bosnia-Hercegovina Government for Investigation of War Crimes has authentic testimony about all this, which has been included with the evidence. Especially distressing are the statements by hundreds of detainees from the famous camps in the vicinity of Prijedor.

Based on the testimony of a large number of witnesses, it was possible to arrive at information according to which there are mass graves for detainees from the camps around Prijedor in the area of Vlasic Mountain in central Bosnia, near the town of Donji Koracani, on the Skender-Vakuta road toward Travnik, at a place known as Koricanska Cliffs. Witnesses estimate that this site is crowded with the bodies of around 5,000 killed camp detainees from Keraterm, Omarska, Trnopolje, and the Prijedor area.

Mass Graves

Military reconnaissance men from the Bosnian Army witnessed the mass burial of around 750 bodies in one day alone. Excavators were used to crowd the bodies into artillery trenches that had been dug previously. This discovery partly closes the file on the unfortunate detainees from the Keraterm, Omarska, and Trnopolje camps who had been thought to have been released. For months their families have waited in vain for them to arrive in Travnik.

Not far from the Koricanska Cliffs, 20 km before Turbe in the vicinity of Travnik, Serb extremists and occupying armed forces during the period from 13 to 28 August pulled hundreds of young men from convoys of camp detainees who were being sent to free territory, primarily those in good health, and shot them. The Bosnian Government has eyewitness accounts of this, and the witnesses are available to all international institutions. The Bosnian Government asks the world public to examine the graves which the occupier and local extremists tried to hide after manipulating international institutions and the world public. These locations are material evidence of the true character of the camps, as well as of the scale and form of suffering of innocent civilians under the rule of so-called Serbian Bosnia. According to the information compiled thus far, the execution sites for thousands of innocent Muslims and Croats are:

The town of Kozarac, near Prijedor, where detainees from Trnopolje buried 700 people of various genders and ages in one day alone. The graves are at the end of the Gaj Forest near the "Europa" restaurant. The Trnopolje camp: An average of 20 people are buried in common graves beside the majority of houses in this town. The town of Sivka, near Prijedor: On 14 June, 120 civilians killed that day were buried in a grave near Mejtefa. Five people were buried in each pit. In the town of Hrnici, near Prijedor, there are mass graves in the Muslim cemetery, and many people were also buried in the surrounding fields. Thousands of detainees perished at the Omarska camp near Prijedor. The corpses of the detainees were burned with acid and buried in these locations: the Jezero pit at the Omarska mine, the old Tomasice mine, the newly opened Buvac pit, and the vicinity of the Medjedja dam.

Chain Saw Murders

According to the statements of several witnesses, 60 people were killed after the first convoy from Kozarac arrived at the camp on 27 May. This was done by taking them from one of the camp facilities in groups of 10 and hacking them apart at the neck with chain saws. They were buried on the premises of a mine after the chetniks poured acid on them. Twenty Muslim policemen from Prijedor were shot immediately after the camp was set up, and their bodies were taken off into the unknown.

Keraterm, a factory near Prijedor, is one of the most notorious concentration camps in Bosnia. Camp survivors, who were released in a prisoner exchange, testify that 190 people were killed on 27 July after gas was released in a room. When the detainees went toward the exit the guards opened fire and killed 145 people on the spot with machine guns fired at close range, leaving around 45 wounded people to bleed to death. The bodies were taken off by truck into the unknown.

Every day in the camp, between 10 and 20 people were separated out for a work team. These people were put before firing squads and never returned. Camp detainees claim that these people buried the dead and then were themselves killed so that they could not bear witness to the crimes. On the night of 5 August (when a visit by journalists was expected), the chetniks took the 120 detainees who were in the worst condition to the Omarska camp. According to survivors from that group, who ended up in Croatia from the Manjaca camp, nine people were butchered on the way and half were killed at Omarska. That same night, 25 people were designated for the work team; they never returned. On the night of 5 August, 10 buses of detainees were transported to Trnopolje. The last bus, which arrived at dusk, was held back at the camp track, where many detainees were mistreated and killed, and those who were beaten later succumbed to their wounds.

The Bosnian Government demands that the competent world institutions investigate these allegations and that they visit the camps and designated locations in order to verify the authenticity of the testimony by thousands of witnesses. The government insists that the genocide against innocent citizens of Bosnia be stopped immediately and that the war criminals and offenders be identified.

Clinton Victory Brings 'Expected' Change

AU0511170192 Zagreb NOVI VJESNIK in Serbo-Croatian First Edition 5 Nov 92 p 2

[Commentary by Zoran Bosnjak: "Pendulum"]

[Text] Bozo the Clown has become Mr. President, and George Bush—Mr. President, who called his main rival a little nitwit—has joined the group of five of White House residents of this century (Taft, Coolidge, Truman, Ford, and Carter) who failed to take advantage of their presidential position to extend the contract with American people by four more years. The change is great, although it was expected.

How much the United States was ready for change can be seen from some other, apparently marginal details: The first black woman has been elected senator in Illinois; the first American Indian has been elected senator in Colorado; regarding California, incumbent senators have been thoroughly defeated—the same federal state that has always been at least 10 years ahead of the rest of America—has elected (two) women into the parity chamber of republics. In this framework, the change in the White House attains an even greater importance: Along with the general change of scenery, there is also a change of generations. The tired George Bush, who was glancing at his watch during the television debate before the entire nation, has been replaced by a new crew who resemble the couple from the advertisement for Sunshine Orange Juice rather than the world's foremost political duo; completely experienced World War II veterans have been replaced by the children of "flower power" who grew up during the Vietnam War and are bringing with them much more complex personal and general views. However, symbols are only a part of the picture—it is through symbols that we are going to recall forgotten consequences one day....

George Bush's departure is part of a normal political process. Through twelve years of its rule (Reagan, Bush), the Republican machine of authority and power has cooled down, has been completely left without steam, and the United States has never been capable of existing without hissing through all possible valves.... Some other people are coming because they deserve to be given a chance. The world has briefly hesitated, but has not completely stopped, not even for the Republicans' sake. Every one of them can continue living outside politics and, in a few years, within politics as well. As George F. Will wrote on the eve of the elections: "Take it easy. If we make a mistake on 3 November, all that can be made up in four years."

The burden of everyday power usually leads to one's visions drying up—Bush admitted that by glancing at his watch; clear visions are created in the leisurely and cool shade of the "opposition." Voters have confirmed that. Changes in the United States work like a kind of a natural ideological pause—a pendulum that has gone far to the right (Reagan) and is now going back toward the center. Rightist political philosophers and social engineers are turning to the leisureliness of the opposition to think up a new project for the future. For Clintonian moderates, the future has begun—that is, in the correlation with the reality, the process has begun of the (self-) compromising of the pure project that had been ripening over the last 12 years of life on back benches.

In the United States, this is the only known and recognized way to reach the famous general accord of the future. Just like democracy and the market, it is probably deficient as well, but nobody has so far thought of anything better.

More Balkan Involvement Expected From Clinton

AU0511144792 Zagreb NOVI VJESNIK in Serbo-Croatian 5 Nov 92 First Edition p 2

[Commentary by Stjepo Martinovic: "He Has No Choice"]

[Text] Apart from not honoring his achievements in the policy of continuity in domestic affairs, that is, in exhausting the "internal reserves" of Reaganism, the American electorate did not even take into account Bush's impressive achievements in foreign affairs. It has been confirmed yet again that the American voter does not care much for his country's role on the international scene, and even less for the President's personal contribution in solving international problems. However, even though he won as the man of change on the domestic level, Bill Clinton will have to deal right away with the responsibilities that are part of being the leader of the only remaining superpower. This opens the question of approach to the disintegration in the Balkans—not only as just one of the many crisis areas in the world but, EC-Europe being impotent and the United Nations toothless, also as the crisis spot that requires creative efforts from the president of the country that has played a vital role in the reshaping of the world's security as it emerged from the Cold War.

Of course, the strategy of the United States in solving the "Yugoslav crisis" is determined more by lasting U.S. interests in East Europe than by the personal visions of a "temporary incumbent" of the White House. Bill Clinton must have had a chance to learn from the follies and too-little-too-late strategy of Bush's team, as well as listen daily to alternative solutions from his running mate, Al Gore, and other associates. He has probably read some of the "literature" on the need to revive the identity and persuasiveness of the U.S. approach to foreign affairs—literature that has been published in the U.S. press particularly in the context of media coverage of Serbian President Slobodan Milosevic's rampages through the territories of the former SFRY [Socialist Federated Republic of Yugoslavia]. The media approach has ranged from Nixon's call for the restoration of Washington's leading role in international affairs through political intelligence and imagination, not through mechanical pressure, to daily editorial warnings

that encouraging the Serbian barbarians to complete their greater Serbian design is equal to nailing the coffin of the new world order.

So, can Clinton be expected to make a U-turn from Bush's "creativity," when it comes to the U.S. role in Balkan developments? Most certainly—yes. Not only because "a new broom sweeps clean," and not even because the new U.S. president will not dare to refrain from using the U.S. mandate in the Central European crisis, but mostly because he needs direct experience to take on the responsibilities of the most powerful man today on the rubble of communism. And, as the developments in the Caucasus show, the real trouble is only starting!

Serbs Reportedly Attack Positions Near Zadar

LD0511093992 Zagreb Radio Croatia Network in English 0905 GMT 5 Nov 92

[Text] In the Zadar and Biograd regions, the night was not without armed Serbian activity. Five shells fell on (?Jankonovic), and anti-aircraft guns also opened fire. Small arms fire was directed at positions around Zadar this morning as well. The command of the Croatian Army sent the UNPROFOR [UN Protection Force] a sharp protest concerning these latest attacks.

Forces Violate Agreement on Prevlaka Peninsula

AU0511202192 Belgrade RTB Television Network in Serbo-Croatian 1830 GMT 5 Nov 92

[Report by Toma Milosavljevic]

[Text] Despite the warning by the Army of Yugoslavia, the Croatian side and part of its forces have entered the demilitarized zone [word indistinct] of Cavtat. The violation of the agreement by the Croatian Army is reflected in the fact that the Croatian Army has deployed much stronger forces in the demilitarized zone than it had before.

The most obvious example of violation, in addition to the hoisting of the checkered flag, is the entry of the Ministry of Internal Affairs with its weapons and the erection of obstacles on the Kobila-Prevlaka road. According to Deputy Navy Commander Dusan Rakic, the blocking of the road is probably intended to distract the UN observers to enable the Croatian side to gain in time and make incidents appear as normal circumstances. This refers primarily to Prevlaka, because there are only four UN observers on Ostri Cape. They are not able to control the Prevlaka peninsula, let alone the entire demilitarized zone.

Members of the Croatian Ministry of Internal Affairs—at least this is how the men are dressed—opened fire on the Army of Yugoslavia on several occasions from Dubravka. In so doing, they committed an act of violation of peace in a sovereign state. Provocations continued after several warnings, even by President Cosic.

Issue of Maritime Border With Montenegro

93BA0112B Split SLOBODNA DALMACIJA in Serbo-Croatian 23 Oct 92 p 8

[Article by Dusko Topalovic: "A Precise Maritime Border Just Outside the Bay!"]

[Text] The agreed demilitarization of Prevlaka is for Croatia a geostrategic relief for the southeast coast, but the geopolitical complexity of this territorial dispute still remains. That is, demilitarized Prevlaka as a buffer zone between the Croatian Army and the Yugoslav Army considerably reduces, but it ought to completely eliminate, the possibility of direct armed contact between them. But there is a danger that international (UN) supervision here petrifies the status quo of the division, which could encourage streams of colonists from eastern Hercegovina, but also Montenegro, in the direction of Prevlaka. The essential thing is not that that kind of colonization would have a long-term basis, but it must last until a political-geographic solution acceptable to the FRY [Federal Republic of Yugoslavia] is found. The experience of Israel in settling the occupied territories of Jordan and Syria is valuable in this regard, and the entire process could be speeded up considerably, because it is of "vital" geopolitical interest.

In order to avoid this possibility in the future, Croatia must insist on demarcation of a maritime border with Montenegro, which would divide the maritime entrance to Kotor Bay and would fix the lateral line of territorial waters between the states. Fixing the maritime border necessitates a precise border on land, whereby Croatia would finally accomplish delimitation and demarcation of its border on Prevlaka and thus eliminate border disputes forever. This Croatian demand would undoubtedly encounter Yugoslav opposition, because Prevlaka not only means geostrategic protection of Kotor Bay, but it also secures the broader zone of Yugoslav territorial waters. If mutual political recognition comes about without secret diplomatic clauses, Croatia must demand the most urgent delimitation of the land and maritime border with the FRY. However, in this entire case we should also bear in mind the broader international framework, which also includes the geostrategic inferiority of the Republic of Croatia relative to the FRY and the specific pressure of the West, not expressed in public, on the "Croatian offender" for disintegration of the SFRY.

The Important Island of Mamula

These, unfortunately, are the political realities that account for the fact that Croatian sovereignty is primarily declarative in nature in the geopolitical conceptions of the West. Croatia is often subjected to international pressure and must make various concessions in order to preserve its statehood in the unfavorable political environment. But one must be objective and recognize that mistakes of the government are not involved here, because under present conditions the cramped nature of realpolitik would be imposed on any Croatian regime.

That is why it is no shame to acknowledge our own political weakness in spite of considerable achievements in international law, and consent to various "obligations" which have been imposed does not constitute a national defeat. It is a question of the geopolitical and geostrategic balance of power, which simply cuts through everything with its own internal logic, but one should likewise be politically honest, and actual defeats and mediocre successes should not be falsely glorified and treated complacently—assuming, of course, that honesty can exist at all as an epochal category in the sphere of politics.

So, demilitarization of Prevlaka is primarily a new international offer to the Yugoslav Army to withdraw "honorably" from Croatian territory, while geopolitical issues will obviously be settled later. This is also spatial satisfaction to the JNA [Yugoslav People's Army] and Montenegro, which also "must get something" from the aggression against the Republic of Croatia. What is left for Croatia, then, is to insist on maritime demarcation, and that according to the criteria customary in international law. This means that the Yugoslav side is entitled to the broader sector of the maritime entrance to Kotor Bay because it possesses the little island of Mamula. Any Croatian action that would threaten shipping here would be considered an act of aggression and would lead to a conflict, which is by no means in the Croatian national interest.

Yugoslav appropriation of Prevlaka is substantiated on geostrategic grounds and the security of a number of naval bases which the JNA possesses in Kotor Bay. However, it should be emphasized that these interpretations are only partially truthful, and they are not valid at all over the long run. That is the FRY has a navy excessively cumbersome for its strategic needs, and its "maintenance" would be a considerable financial burden. While the Austro-Hungarian Navy stationed its fleet mainly in Pula and Kotor Bay, which was the model for strategic protection of the Adriatic with major warships by the old Yugoslavia, the SFRY [Socialist Federated Republic of Yugoslavia] based its maritime strategy on smaller naval units capable of surviving in combat in waters protected by islands and with logistic reliance primarily on the central Adriatic mainland. Today, the FRY has a navy which does not correspond to its geostrategic situation—it no longer has longitudinal strings of islands as a natural geographic protective barrier, nor such a lengthy and extensive body of water which has to be covered strategically.

Aside from that, the FRY must also count on development of tourism, which is not compatible with the process of navalization (maritime militarization), so that Kotor Bay itself should also be largely demilitarized. The Navy will therefore have to be deployed in several coastal sectors, which is also geostrategically necessary, because it is too risky to keep most of the fleet in just one coastal district. There is a possibility of preventing entry into Kotor Bay, that is, of blocking the Yugoslav Navy, from the Montenegrin Prevlaka as well. An alternative solution is to build "a second door to the bay," i.e., a canal across the narrowest lowland link of peninsular Lustica with the Montenegrin mainland, but over the long run it is most promising for Montenegro if the naval function of Kotor Bay gradually gives way to tourism and the development of mariculture (raising fish, shellfish, etc.).

Tourists and Gunboats?!

It is also essential that the Croatian side, which is considered to be a "potential danger," have no geostrategic prerequisites for offensive military operations against Kotor Bay. The entire area of southern Dalmatia lacks any great depth from a military standpoint, the outlet of Bosnia-Hercegovina to the sea separates it territorially from the rest of Croatia, while "Serbian" eastern Hercegovina and, in part, Montenegrin territory constitute the hinterland which in case of war would undoubtedly be hostile. The Croatian south has cramped spatial dimensions and a hostile environment, so that it is logistically problematical and holds no geostrategic promise for major concentration of combat potential for a strike against Kotor Bay. In addition, Croatia has had more than enough of war, it has absolutely no interest whatsoever in military conquest of the territory of another state, because there is a political awareness that geoeconomic priorities are more important than geostrategic interests. And if there is a geostrategic handicap, then it must be removed by the methods of economic policy, which create stable peace, not military conquest as an introduction to total war.

[Box, p 8]

Geostrategic Aspects of the Montenegrin Coast

1. The region of Prevlaka, along with Konavli, has unfavorable military-spatial features for a strategic strike against Kotor Bay, but it is still more important that the Republic of Croatia has no desire whatsoever to operate militarily against the FRY (Montenegro).

2. Kotor Bay as a body of water, with a number of naval bases, repair facilities, communications and radar installations, and artillery and missile emplacements in the coastal area. Because Montenegro (the FRY) does not have a surplus of coast attractive for the development of tourism, partial demilitarization of this zone will be indispensable.

3. The air base in the vicinity of Tivat—possible coexistence of military and civilian functions (the example of the former Zemunik air base near Zadar).

4. The FRY can achieve geostrategic relief of Kotor Bay in several sectors:

a. The lesser part of the Navy would remain based in the bay, because in the long run police functions (controlling the maritime border) are more important here than specifically military functions;

b. The Bay of Traste is 4-5 km "deep" from its "entrance" formed by the Kociste and Traste peninsulas (potentially suitable as a new repair center);

c. Possible military sectors in Budva Bay and

d. Northwest of Bar;

e. Valdanos inlet "behind" the Mondra peninsula;

f. The Ulcinj sector.

The essential thing for the maritime strategy of the FRY and the geographic deployment of its naval bases is that there be no threat in the long run from the Croatian side, that the port of Bar be secured "on both sides" from Budva and Ulcinj, and that geopolitical tension should be expected in the southeastern intergovernmental sector toward Albania.

5. The route of the possible canal, which would be some 5 km long, between the region of Lustica (a) and Grbalje (b), which links Tivat Bay to Traste Bay. This project would have justifiable importance on geostrategic grounds and from the standpoint of transportation geography and tourism: It would open a "second door to the bay," but the possible ecological consequences should be assessed with the greatest professional care.

6. The Belgrade-Bar railroad as the primary Yugoslav outlet to the Adriatic.

7. The territory of Ulcinj Opstina, where the Albanian population has a majority of 72.6 percent (in 1981)—a zone of potential ethnic unrest.

[Box, p 8]

Maritime Demarcation of Kotor Bay

1. The baseline was fixed in 1966 in order to divide the epicontinental zone of the Adriatic (the continental shelf) between Italy and the SFRY. This legally defined the waters of Kotor Bay as "inland maritime waters" (parts of the sea between the baseline and the coast). Inland maritime waters are under the sovereignty of the coastal state (formerly the SFRY), but now they must be divided between Croatia and Montenegro.

2. The intergovernmental land border, which "extends" onto Kobila peninsula. It is in the Croatian interest that this border's delimitation (establishment by agreement) and demarcation (marking in the field) occur as soon as possible.

3. Possible variants of the border of new Montenegrin internal maritime waters—from Kobila peninsula in the direction of the Montenegrin coast.

4. Delimitation on the basis of the principle of the median (the center line), where every point on the boundary line is equally far from the opposite shores. At one time, Yugoslav internal maritime waters were divided in this way into Croatian and Montenegrin territorial waters. It is important to Croatia to have a maritime link between the "inner" and "outer" coast of Prevlaka, while Montenegro has a link between Kotor Bay and the open Adriatic through its own territorial waters.

5. The small island of Mamula, under Montenegrin sovereignty, is also important to determining the center line. Because it possesses this island, Montenegro would be entitled to a larger portion of the maritime entrance to Kotor Bay.

6. The edges of the entrance to Kotor Bay:

a. The Ostri peninsula

b. The Miriste peninsula.

7. The lateral border between Croatian and Montenegrin territorial waters—there could be a dispute over the direction it is drawn toward the external limit of territorial waters, i.e., the line of demarcation of the epicontinental zone (between the SFRY and Italy). It is most acceptable to draw it on the basis of a lateral equidistant line, i.e., a lateral border line such that every point is equally distant from the baselines used to measure the width of the territorial waters of Croatia and Montenegro.

Assembly Adopts Law on Subversive Activity

LD0511121992 Zagreb Radio Croatia Network in Serbo-Croatian 1800 GMT 4 Nov 92

[Report by Vladimir Kumbrija from the Croatian Assembly]

[Text] Following discussion, the deputies endorsed in emergency procedure the law on subversive and terrorist activity against state sovereignty and territorial integrity of the Republic of Croatia. The law prescribes the minimum sentence of five years of imprisonment and the [maximum] sentence of 20-years of imprisonment for perpetrators and instigators of the following acts: the act of violation of the state's territorial integrity; the act of eviction of citizens or the prevention of the return of refugees and displaced people; the act of introduction of foreign legal, administrative, monetary, and other systems; the act of the prevention of the introduction of the legal system and normalization of life; and the act of endangering peace and safety of citizens or state stability.

The law will be applied on the entire state territory, that means, also on the territory of the so-called UN protected areas and in the pink areas.

Today's Assembly session also endorsed the law authorizing the government to adopt laws within the Assembly's competence. The opposition opposed the endorsement of this law demanding that economic issues about which the government can adopt legal regulations, be listed.

Just before this dispatch was sent, the Assembly endorsed the amended and changed law on the protection of military and civilian war invalids.

New Penalties for 'Rebel' Serbs

LD0511171692 Belgrade TANJUG in English 2332 GMT 4 Nov 92

[Text] Zagreb, November 4 (TANJUG)—Croatian Parliament on Wednesday [4 November] adopted a law, which envisages new penalties for the 'rebel' Serbs in the Serb Krajina regions, as Croatian President Franjo Tudjman calls them. The law, which envisages persecution of Serbs for the crimes of subversive political and terrorist activities against the state sovereignty and territorial integrity of the Republic of Croatia, was adopted under summary procedure at the president's request.

The international community recently pressured Croatia into adopting a law on amnesty for participation in the war against Croatia. The law, which has not even been applied yet, has now been practically annulled, said many deputies who took part in the debate in the Croatian Parliament on Wednesday. The explanation given by a government representative said that the amnesty law was valid for the period until September 25, and not for acts committed after that date.

The law was described as 'preventive' and was said to pertain primarily to the Serbs in the Krajina regions who refuse to accept Croatian sovereignty over that region. Serbs formed the Republic of Serb Krajina in territories where they are the majority population within the former administrative borders of Croatia, refusing to accept Croatia's secession and a denial of their human rights.

Following several months of war, in which the Army of the former Yugoslavia also took part, the Republic of Serb Krajina was placed under protection of the United Nations peace forces, who are to remain there until a political solution is reached for the conflict between the Croatian and the Krajina authorities.

Authorities Cancel Negotiations With Serbs

LD0511214292 Belgrade TANJUG Domestic Service in Serbo-Croatian 1726 GMT 5 Nov 92

[Text] Knin, 5 Nov (TANJUG)—The Croatian authorities have cancelled a meeting of the mixed Republic of Serbian Krajina and Croatia commission, which was scheduled to take place in Zagreb on 9 November.

ISKRA agency reports that the public was informed about the meeting by Cedric Thornberry, UN Protection Force [UNROFOR] deputy chief for civilian affairs. Dusan Starevic, member of the Krajina part of the commission, interpreted the refusal of the Croatian side to resume negotiations within the framework of the mixed commission in Zagreb as "a concession by UNPROFOR to the Croatian side."

He added that "the Croatian side is still not ready for a true dialogue on an equal footing. This in itself sufficiently illustrates the attitude of the Croatian side toward the work of this commission and UNPROFOR's mission," Starevic said in conclusion.

National Assembly Adopts Law on Bank, Currency

LD0511123992 Zagreb Radio Croatia Network in Serbo-Croatian 2100 GMT 4 Nov 92

[Summary] At a session today, the Croatian Assembly adopted, in an emergency procedure, the laws on subversive activities and on the protection of war invalids.

"The law on the National Bank of Croatia was also adopted today. The law incorporates regulations from a government decree. The central bank is charged with preserving the stability of domestic currency and liquidity in the country and abroad. The bank also is charged with issuing notes and coins.

"The currency of the Republic of Croatia is the kruna, which is divided into 100 banica."

Kucan Congratulates Clinton; Foresees Cooperation

AU0511153092 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 5 Nov 92

[Text] Slovene Presidency President Milan Kucan has congratulated Bill Clinton on being elected U.S. president. Among other things, the congratulations message expresses the conviction that cooperation, understanding, and friendship between the two countries will continue in the future.

Austrian Chancellor Arrives on Official Visit

LD0511233192 Belgrade TANJUG Domestic Service in Serbo-Croatian 1353 GMT 5 Nov 92

[Excerpts] Ljubljana, 5 Nov (TANJUG)—Austrian Chancellor Franz Vranitzky arrived on a two-day official visit to Slovenia today. Vranitzky is the first foreign prime minister to arrive for official talks with Slovene representatives since Slovenia's secession from Yugoslavia.

The Austrian chancellor will discuss bilateral relations, above all political and economic cooperation, with the Slovene leadership. They will also discuss the issue of the Slovene minority in Austria and the issue of refugees from Bosnia-Hercegovina. [passage omitted]

In Ljubljana Chancellor Vranitzky will have talks with Prime Minister Janez Drnovsek, President Milan Kucan, and Foreign Minister Dimitrij Rupel.

FRY To Aid Evacuation of Slovenes in Sarajevo

LD0511223192 Belgrade TANJUG in English 1531 GMT 5 Nov 92

[Text] Belgrade, Nov 5 (TANJUG)—The Federal Republic of Yugoslavia has promised Slovenia assistance in the evacuation through Yugoslav territory of the roughly 200 Slovenian citizens who are now in strife-torn Sarajevo.

TANJUG has learned from well-informed sources in Belgrade that the promise was issued to Ambassador Peter Tos, emissary of the foreign minister of the former Yugoslav Republic of Slovenia, during a recent visit to Belgrade.

The Slovenian envoy was received by Yugoslav Foreign Minister Ilija Djukic, but not by President Dobrica Cosic and Prime Minister Milan Panic, as had been speculated in Belgrade and the Slovenian capital Ljubljana. Slovenian dailies reported the visit on Wednesday [4 November], but there has been no official confirmation so far.

TANJUG's sources say that the Slovenian envoy arrived in Belgrade with three messages—two for Prime Minister Panic and one for Djukic. The messages are said to deal mainly with humanitarian issues, but not recognition of the Federal Republic of Yugoslavia or a normalization of the two countries' relations.

The Federal Republic of Yugoslavia as a goodwill gesture towards resolving the Yugoslav crisis recognized Slovenia on August 13, but Ljubljana did not reciprocate because, as it said at the time, the Federal Republic of Yugoslavia had not achieved international recognition.

Jansa Wants Continued UN Presence in Croatia

LD0511211992 Belgrade TANJUG Domestic Service in Serbo-Croatian 1612 GMT 4 Nov 92

[Text] Ljubljana, 4 Nov (TANJUG)—The mandate of the UNPROFOR [UN Protection Force] in Croatia should be extended without fail after March 1993, Slovene Defense Minister Janez Jansa said at a news conference in Ljubljana on 4 November.

According to his firm beliefs that he presented after talks with top WEU [Western European Union] and NATO officials, the withdrawal of UNPROFOR in March 1993 would cause the continuation of the war in "occupied territories of Croatia," which would threaten Slovenia due to the fact that the battle zone would be only 30 or so kilometers away from the Slovene border.

The Slovene defense minister indirectly mentioned the inclusion of Slovenia in the WEU. The Slovene Army, Janez Jansa stressed, is already adapting the organizational structure of its units to the European armed forces.

Federal

Cosic Addresses Reporters on Policies, Tasks

AU0511193792 Belgrade Radio Beograd Network in Serbo-Croatian 1400 GMT 5 Nov 92

[Report on statement by President Dobrica Cosic at a news conference in Belgrade on 5 November]

[Text] [Begin Cosic recording] Ladies and gentlemen, when I became the president of the Republic, I promised, and I was convinced that I would fulfill that promise, that I would meet with you frequently, or at least regularly, in order to inform you of my activities, the activities of the FRY Government, and to answer any questions you might want to ask—that is, to satisfy the interest of our political public, as well as the foreign one.

I want to apologize right away for not having fulfilled my promise, but that was simply because, although I am an author, although I am a man in the public eye—that is, although I am a man of publicity—I feel a sort of inner apprehension, I dare say, a resistance toward publicity, and that is the only reason that I have not seen you in these circumstances. We can start our conversation with this apology.

Perhaps you will be interested to hear what I think in principle about my policies, about what I have done over the last few months, or to be more exact, what I have failed to do. In my address to the Federal Assembly, I stated that I would work on rallying and uniting the entire population on the task of reviving the society. That is, in my view, the historical task of every policy in this country. I believe that the remedy to the situation this country is in, and that is not a crisis as it is euphemistically called today both here and abroad. [sentence as heard] The issue concerns deep historic changes in the Yugoslav and Balkan region, changes that have far-reaching consequences. The issue concerns state and political changes, and changes in the social order.

No social group, political elite, or ideological formation can participate in such historic processes. The entire potential of a nation can and should take part in such historic periods. Such an interpretation of mine of the historic situation directed me to the first duty and idea, that I should work on rallying and organizing, as I have already said, the entire population on the task of reviving the society. I am talking about a political, economic, spiritual, moral, and civil revival. I have to say that we are only at the beginning of that revival.

What my contribution to this has been is up to you and the people of this country to decide, but if you ask me, I can say now that I have not achieved the satisfactory results to this end.

I said that I would work on peace and cooperation with all neighboring Balkan and European peoples, with America, and with the entire world community. I think I am convinced that the Federal Government, and I myself within my constitutional powers and my truly modest abilities, have both relatively successfully carried out that task. There is no doubt that the Federal Republic of Yugoslavia is sincerely for peace, sincerely for overall cooperation with all the neighboring Balkan peoples, and the entire world community. We have proven that with our activities in foreign affairs, and we will continue to prove so in the coming period, because peace and cooperation with neighboring countries and the world—that is, our return to the world community—is our first and foremost task.

I said that I would work on the extrication of our country from isolation and the sanctions. I hope that our public is convinced, that all of you here are convinced, that we have put in a tremendous effort to achieve that end, and that the results do not correspond to our efforts. I have to say that, regretfully, the international forums and the world community, have not shown adequate understanding for us yet, they have not met us half way, they have not shown sufficient respect for our efforts, and our country is still in a very difficult position internationally. Our country is isolated. It lives in a kind of concentration camp. It is a country of a punished and isolated nation.

I hope that the world community and the international forums will realize that our efforts are honest, that we have done all we could, that, and I promise you this and I am convinced of it, we will do all we can, but it appears to me, gentlemen, that there are demands that we cannot meet. We cannot stop the war in Bosnia because the war in Bosnia is not waged by only one side, nor are we waging this war as the aggressor—we are not the aggressor—the war in Bosnia is an interethnic war, a religious war, perhaps even primarily religious, and a civil war. Three sides are taking part in that war, and the Federal Republic of Yugoslavia is not responsible for its outcome.

If you want to talk about the aggressor, the only aggressor is Croatia because, as you must know, some 50-60,000 Croatian soldiers are fighting in Bosnia-Hercegovina. To prove that we were not the aggressor, we informed the Security Council in August, that is, we offered to the Security Council to have the UNPROFOR [UN Protection Force] members control our borders, to position observers at our airports, and so establish that we have no armed or military part in that horrible tragedy that has befallen the people of Bosnia-Hercegovina.

We will continue to intensify the policy of advice, the policy of good, peace-loving efforts toward the war in Bosnia-Hercegovina, and I hope that the world community, the EC, and the Security Council will participate in it in a more fortunate way, in a more appropriate way than they have in the past. When I said a more fortunate and appropriate way, I am referring to the following: It is necessary to establish the truth of the war in Bosnia-Hercegovina, establish responsibilities, and equally share these responsibilities, share them according to the

real participation. Unfortunately for us, and especially unfortunately for the peoples of Bosnia-Hercegovina, this has not happened so far.

I would like to believe that the world community will adapt its policy to reality, that it will acknowledge reality to the extent to which every realistic policy acknowledges reality.

I also stated that I will strive for the policy of a democratic compromise that would provide a basis for working and honest cooperation between the parties in power and the opposition regarding all important national and social issues. The public is aware of what efforts I have been investing for this cooperation to take place. I must admit with regret that my efforts have produced small results. The necessary cooperation between the authorities and the opposition has not been achieved. Partiality and intolerance among the parties have continued. The political and ideological struggle typical of an antagonistic society, society full of social, ideological, and moral antagonism, has continued, and if there is anything good to be expected, I think that we should expect something good from the forthcoming elections—we should expect changes in relations between our internal political forces, a new order, that real potentials among them will be established, that their programs will be revealed and checked by the public, that is to say the voters—and I deeply believe that we will have an assembly and a government that will more fully express the political will of the citizens than it has been the case so far.

I also said that I will strive for new elections at all levels in the shortest possible time. We did what we could and, by investing a great deal of effort, we have created possibilities and conditions for democratic elections. As you know, elections will be held on 20 December. I had hoped that they would take place somewhat earlier. I did not manage to accomplish this because of the assembly procedure, which, as you know, is very complex and slow, and up to now, as far as I have been informed, not all the matters concerning elections have been completed. I hope that I appeal to all the factors on whom fair conditions for elections depend that these conditions be created as soon as possible.

I have also said that I would work on ingenious and decisive changes that would finally represent a clear break from the Titoist order and the party state in order to accelerate the creation of a modern, legal, and democratic state. I have done nothing important, nothing significant on that. I have not succeeded for reasons that are of an objective nature. The structure of our assembly is such that it did not have inner energy, political will, and an adequate concept that would precipitate this metamorphosis, which of course cannot be accomplished in half a year, or one year. It is a long process, but I have to say that the legislative work of the Federal Assembly is very modest, and that it is only just beginning.

The first condition for the creation of such a modern, legal, and democratic state is, in my view, a radical constitutional reform. When I became president of the republic, I was aware that the constitution of the Federal Republic of Yugoslavia had many faults, that it was a faulty constitution that, in its structure, did not provide for a normal and effective functioning of the state. It is a constitution in which the structure of authority remains unclear, in which there is a lot of the traditional Titoist confederalism. It is a constitution in which many essential things are not formulated. I have to say, regretfully, that this Federal Assembly has not shown readiness to undertake seriously the task of constitutional reform. I want to believe that the future Assembly will see as one of its first tasks the constitutional reform of this country. It is not up to me to determine which way that constitutional reform will go.

I have promised that I would work on adjusting our national and social programs to the conditions of the modern world and the civilization in which we live. It was too ambitious a promise, but I will not disavow it even now; it was an attempt. The task, complexity, necessity of adjusting to the modern world is a historic process to which this country should devote itself with a far greater degree of decisiveness than hitherto. The realization that the factors of interdependence are the first factors of progress in this civilization is not in our realistic political consciousness. It will take a great effort, defeats, too, I think, and suffering, before all the political factors in this country, all of us, understand that we have to hasten on our way to the modern civilization, that we have to adjust to it without losing our identity. On the contrary, we have to seek conditions in which that identity will blossom in the creative sense of the word.

But every policy that resembles the policy of isolation, the policy of self-sufficiency, is a fatal policy. It is the old ideological policy that has already cost us dearly, and that has made a folly out of decades of the historical existence of this nation.

I promised that I will strive for a political dialogue with the representatives of national minorities so that their national and civil rights can be realized in line with the highest international principles and standards. [end recording]

[Announcer] President Cosic said that he and the Federal Government have done everything they could for this dialogue to take place.

[Begin Cosic recording] Unfortunately, this dialogue did not take place, which was not our fault, but because of the lack of will on our part. This dialogue, dialogue about consensus and cooperation, dialogue that should regulate our relations that are very strained in some spheres, this dialogue did not take place because of the lack of good cooperative and democratic will among certain national minorities, because of the lack of will to talk. I am primarily referring to ethnic Albanians. It is obvious that the Albanians have not shown the necessary goodwill for

cooperation for the generally known reasons such as secessionism and obstruction.

I hope the political circumstances that are emerging, the level of democratization of our society, and the forthcoming elections form the general conditions that will provide ethnic Albanians, political factors of the Albanian minority, and the Albanian people who live in the Federal Republic of Yugoslavia with the real opportunity to enter our political life, express their political will, and to fight for the rights that are still lacking in some domains, not because the authorities have reduced these rights, but because they have not expressed the wish to use these rights to the extent they could have.

You know that international forums are also dealing with this problem, that they are also participating in it, and that solutions are being sought for the basic rights guaranteed by international forums, above all, the CSCE, to be realized. What I can say with certainty is that not only will we have to, but we will wish to do our best for all these rights to be realized. We would like to, we want to, and we must become a democratic and free society and a community of citizens.

I promised that I will strive for a government of democratic unity, a government of expert, competent, and fine people, a government that will be able to check inflation, stop falling standards of living, and induce optimal production potentials of the country, a government that will introduce the strictest savings, create an efficient, working, and civilized administration, a government that will respect knowledge, honesty, and (?work). Such a government has not been formed yet. Such a government should be formed, although I am generally satisfied with (?what) I said a few days ago. I generally support the current government, I widely support its general policy. The government has not had time nor conditions, nor objective (?chances) to fulfill such ambitious and difficult tasks that I thought it should accomplish. Many of the government activities deserve serious criticism. This criticism was expressed by the deputies in the assembly and by our public and our political parties. This is not the occasion for me to add my special arguments to this general criticism or to take some special stand.

In any case, the aspiration for a government of democratic unity is, if I may say so, my basic political aspiration in this country, or my first political aspiration in internal affairs. In telling you all this, I did not want anybody in this country, any of you, to think that I am a satisfied and serene man. I am dissatisfied with my results, and I am uneasy when I think about our future. Great temptations, long temptations are ahead of us.

Politicians are optimists. I am a being with two souls. As an author, I am a skeptic. In the function I find myself, I have hope. In reconciling these two feelings, that is where my internal effort lies, and my efforts in carrying out my duties. How well I am doing this, it is your privilege to decide. [end recording]

Details of Poll on Support for Panic, Milosevic

LD0611104392 Belgrade TANJUG in English 0849 GMT 6 Nov 92

[Text] Belgrade, Nov 6 (TANJUG)—Around 41 percent of the Yugoslavs support the policy of Federal Prime Minister Milan Panic, while 26 percent of residents of Serbia (without Kosovo and Metohija) and Montenegro believe the policy of Serbian President Slobodan Milosevic is successful.

The figures are contained in a poll conducted by the Belgrade-based Centre for Political Science Research and Public Opinion, a part of the Social Science Institute of the Belgrade University. The poll was based on the so-called quota model, covering the Yugoslav residents over 18 and including 182 questions, centre manager Ljiljana Bacevic said.

Asked to choose between Panic's and Milosevic's policy, 1 [as received] percent of the 1,932 pollees chose Panic, 26 percent Milosevic and 13 percent said they did not favour any of the policies. In Vojvodina, 51 percent of the interviewed voted for Panic and 17 percent for Milosevic. Panic won 40 percent of the votes in Serbia and 37 percent in Montenegro, and Milosevic won 28 percent in Serbia and 29 percent in Montenegro.

In terms of the pollees' vocation, more farmers trust Milosevic (34 percent) than Panic (27 percent). Some 12 percent of them do not trust any of the two politicians and 27 percent remained undecided.

Around 34 percent of the unskilled and semi-skilled workers voted for Milosevic and 28 percent for Panic, with 14 percent not trusting any of the two concepts and 24 percent undecided. As for the skilled and highly skilled workers, 43 percent of them opted for Panic and 23 percent for Milosevic. Some 15 percent said they were against any policy and 19 percent were undecided.

Citizens with higher education (52 percent), students (55 percent) and unemployed (58 percent) said they favoured Panic's policy. Milosevic won 21 percent among the pollees with university degrees, 13 percent among students and 12 percent among unemployed.

The poll included the questions concerning the war in Bosnia-Hercegovina, the U.N. sanctions, election favourites, the media coverage, and the trust in Yugoslav and foreign officials.

Government Submits First War Crimes Report

LD0611122992 Belgrade TANJUG in English 1839 GMT 5 Nov 92

[Text] Belgrade, Nov 5 (TANJUG)—The Government of the Federal Republic of Yugoslavia on Thursday [5 November] submitted to the UN Commission of Experts its first report on war crimes which encompasses 130 cases of violations of the law of war and humanitarian law perpetrated in the territory of the former Yugoslavia.

The UN Security Council adopted in early October a resolution on the establishment of a commission of experts to collate evidence of war crimes in the territory of the former Yugoslavia. The five-member commission started work in New York on Thursday.

Among the 130 cases of violations of the law of war and humanitarian law, most pertain to the category of the inhuman killing of civilians, wounded, sick, and detainees—pows.

They include massacres committed in Croatia: In Bjelovar (a large number of Yugoslav Army (JNA) soldiers imprisoned in the local barracks), in Gospic (at least 24 Serbs), on the Korana River bridge in Karlovac (13 JNA soldiers) and in Borovo Selo, and those committed in the territory of the former Yugoslav Republic of Bosnia-Hercegovina: on the Kupres Plateau, in the village of Milici, etc.

Extending support to the establishment of the Commission of Experts, the Yugoslav Government said in the report that 'it is of utmost importance for the further political solution of the crisis in the territory of the former Yugoslavia to establish all relevant information relating to armed conflicts and acts of violence, particularly those relating to grave violations of the law of war and humanitarian law.'

'The first and principle precondition for any future stability in the region and for relations among the new states which have emerged as a result of separation from Yugoslavia, as well as for further relations among its peoples is to determine responsibility for acts of violence, destruction, the suffering and violent death of a large number of the population,' said the report.

The Bosnian Serb Republic, formed on April 7 after the European Community recognized Bosnia-Hercegovina's independence at the instistence of the Moslem-Croat coalition and against the wishes of the local Serbs as one of the republic's three constituent peoples, submitted its report on war crimes through the Yugoslav mission in the United Nations in New York.

The war in the territory of the former Yugoslavia, which began after the forcible secession of the Republic of Slovenia in early July last near, has in the estimate of Yugoslav Army experts so far taken 40,000 lives, around 85 percent of them Serbs.

Reserve Mobilization Called 'Regular' Exercise

LD0511220492 Belgrade TANJUG Domestic Service in Serbo-Croatian 1325 GMT 5 Nov 92

[Text] Belgrade, 5 Nov (TANJUG)— Regarding a mobilization of a number of reservists, about which there was public reaction and speculation, TANJUG has learned from circles close to the General Staff of the Army of the Federal Republic of Yugoslavia that this was simply a regular, peace-time training exercise of some mainly very specialized units. The exercises, the same sources say, are carried out annually and the current one has nothing to do with events on the territory of former Yugoslavia. It is meant to train the reserve force to use the latest weapons and military equipment.

The Federal Republic of Yugoslavia, as known, is not at war, and according to the assessment of the Army General Staff, there is no real danger that clashes could erupt on its territory

The Belgrade branch of the center for anti-war action demanded an explanation from the federal government in connection with this. The center says that it is concerned because "all this coincides with preparations for the new elections, at a time when it is imperative for citizens to concentrate on the election campaign and to restore trust in activities of the current government." The Ada branch of the center for anti-war action sent a letter to Chief of General Staff Colonel General Zivota Panic, asking him "when will Vojvodina stop being a recruiting center?"

Djukic Optimistic Before Trip to New York

LD0511122392 Belgrade TANJUG in English 1050 GMT 5 Nov 92

[Text] Belgrade, 5 Nov (TANJUG)—The Federal Republic of Yugoslavia could return to the international community with dignity by bringing the war in Bosnia-Hercegovina to an end and complying with all its obligations at home and abroad, Yugoslav Foreign Minister Ilija Djukic has said.

Prior to leaving for New York to try to open the way for Yugoslavia's readmission to the U.N. General Assembly, Djukic told the Belgrade daily BORBA the federal parliament adopted the respective stand.

"If you have the feeling of responsibility for the present moment, which we should all have, we have no right to be pessimistic," said Djukic.

He said the question of state coninuity was unjustifiably politicized. "I believe that no one wants the ideological continuity of the former Yugoslavia. As for the actual state continuity—it practically exists," Djukic added.

"I do not at all underestimate the fact that we do not participate in the work of the U.N. General Assembly, but there is also the fact that international factors do negotiate with us, that there is an open dialogue on the international stage—which is also part of the London conference and the Geneva process," said Djukic.

"I am going to New York to talk to the U.N. Security Council members and others, because we already have something to offer," the Yugoslav foreign minister underscored.

"He have begun the process of bringing the relations with our new neighbour Croatia back to normal. I do not see the reason why we should not do the same with Macedonia—which does not mean that we are rushing

into an official recognition, but that we want to be responsible and pragmatic," Djukic added.

He said the early elections in the F.R. Yugoslavia would help his mission to the U.N.

"However, it is important to understand that everything will be judged also by the pre-election process, from the running of candidates to the media coverage. If that goes well—and we are under public scrutiny—my job will be easier," said Djukic.

Sandzak Party Announces Election Boycott

LD0511183692 Belgrade TANJUG Domestic Service in Serbo-Croatian 1703 GMT 5 Nov 92

[Text] Belgrade, 5 Nov (TANJUG)—The Sandzak Information Agency [Informativna Sandzacka Agencija] reports that Rasim Ljajic, secretary of the Party of Democratic Action [Stranka Demokratske Akcije; SDA] today sent a letter to Prime Minister Milan Panic to inform him that SDA will not take part in elections in "conditions of military-political terror."

The letter calls on the Yugoslav prime minister to release official information on the fate of the kidnapped Muslims from the village of Sjeverin, near Priboj. In response to this incident, the agency reports, peaceful protests will be staged in all the towns of Sandzak on Sunday, 8 November. The protests will be organized by the center for antiwar activities.

Data on FRY Foreign Trade Losses

93BA0081D Belgrade POLITIKA in Serbo-Croatian 13 Oct 92 p 9

[TANJUG report: "Foreign Trade of Federal Republic of Yugoslavia: September Decline—61.7 Percent"]

[Text]*The value of imports during that month was only one-third of purchases in September of last year.*

According to the latest figures from the Federal Institute of Statistics, the value of Yugoslav exports fell by 61.7 percent compared to the same month last year, and amounted to only $130 million.

Of that amount, the Serbian economy accounted for $124 million and the Montenegrin economy for $5 million.

Thus, over the last four consecutive months Yugoslavia has lost a little more than 60 percent of last year's monthly sales to the rest of the world because of the blockade.

It is having an even harder time buying on foreign markets, as indicated by September imports. Although the purchase of medicines and food is exempted from the blockade, the total value of purchased goods in September amounted to only $127 million, which is only one-third of last year's figure during the same month.

If one considers import-export trends from the beginning of the year to the end of September, the picture is a little more favorable. Nine months of exports amounted to $2.139 billion, or about 60 percent of last year's figure during that period.

Serbia accounted for $2.13 billion of these exported goods, with Montenegro accounting for $96 million.

In comparison, total imports were valued at $3.286 billion, which is around 78 percent of such purchases during the nine-month period last year, whereby the Serbian economy imported goods valued at $3.63 billion and the Montenegrin economy $149 million.

The foreign trade deficit during that period achieved a level of $1.147 billion, which is $554 million higher than last year at the end of September.

[Box, p 9]

Industrial Products 40.6 Percent More Expensive

Factory prices for industrial products in the Federal Republic of Yugoslavia increased by 40.6 percent in September, the Federal Institute of Statistics announced yesterday.

In relation to December 1991, factory prices have increased by more than 59 times, and compared to the same month last year by more than 100 times.

Successes of Dafiment Bank Praised

93BA0131B Belgrade BORBA in Serbo-Croatian 17-18 Oct 92 p 11

[Article by Momcilo Djorgovic: "Personalities: Mama Dafina"]

[Text] "Of course, the people have money" (Dafina Milanovic, 1992).

Now the Serbian people are calling her mama, Mama Dafina. Every morning 13 million people are sending up their prayers and blessings to her, at the same time frightened that her collapse will be a top item on the news, not believing in their fortune that that very day, without doing anything, they have increased the size of their deposits large and small. Together with Dafina, they have become moneymakers and have found some benefit for themselves in the general catastrophe.

In one year Dafiment has become the best-known and strongest private bank of the most recent Yugoslavia, every month winning over a million new savings depositors. If the information obtained from so-called well-informed circles is true, every day Dafiment has 2.5 billion dinars on account, and the daily inflow of capital amounts to 12 million German marks [DM]. In a masculine society, alongside many leaders and men who at least say they are ready to do anything, a woman is becoming a kind of myth for the general public.

Whatever has been said about her, Dafina does exist, and regardless of how she juggles money (money does not deliver moralistic sermons), and it is completely unimportant whether it will last two weeks or 20 years—by virtue of what she has done already she is a kind of symbol of the break with the era of the socialist economy and a symbol of immaculate conception of wealth for all the working people. She represents a new social stratum being born on the ruins of socialist values concerning the rich collective and the individual modest in himself, but profoundly dedicated to society. Certainly, there will be modest individuals for a long time yet, but in a poor society a milieu has been created for the heroic times of the primitive accumulation of capital, which Galbraith persistently refers to as "thievery," and in which it is possible for a modest person to become rich by taking the right risk.

Dafina Milanovic is successful at a time when it was thought that the flood of poverty was definitive and when the petrified government and business structures were staring blankly at the unhappy citizen, who was helplessly quaking in his fear about mere survival. She stimulates success in a stalemate situation by virtue of her own resourcefulness in the chaos created by the state itself and its cataleptic leaders. Before her, the success of an individual was under the strict control of the political structure, and it could be exclusively a success of status, not of a financial nature pure and simple. Rich people represented the imperfect nature of the model, a disturbing subversiveness, they were "enemies of the people." Until recently, commissions for investigating the origin of property stood like a Damocles sword over the heads of private operators and other citizens. Perhaps that mentality is still the source of the doubts and ominous predictions and aversions toward Mrs. Milanovic's entire undertaking. A mystification has been shattered (the bank was the most important and best-concealed instrument of power at the altar of official authority), and the hierarchy of the nobility of committee personnel has been disrupted. None of this, however, means that politicians and the government will not be necessary to Mrs. Milanovic, nor she to them, but this time in an arrangement in which it is unclear who has whom in his hands.

This summer, when the government tried to foil Mrs. Dafina's plans, virtually the entire public was on her side, because the government was interfering in something which has already gained the legitimacy of a natural law—to survive a struggle for survival in the Darwinian sense and possibly even to become rich. It is as though after Marx people have gone back to Luther, who argued: "Wanting to be poor is the same as wanting to be sick." And Mrs. Milanovic herself has remarked: "I must admit that in my effort I have in some respects copied the president of the Republic of Serbia. At the very outset, I went out into the masses, I made a promise to them that 'no one has a right to steal from you,' and I gained their confidence."

We do not know to what extent the paraphrase of the president's famous sentence has made an impression on him, but the government has shown itself to be reasonable. It was perfectly aware of the stupidities and cracks in its own system of which Dafina shrewdly took advantage and knew why it had against it five million savings depositors, the number there were in Dafiment at that time. Incidentally, Dafina has been successful, where state banks would not be, in siphoning, as it were, the foreign currencies out of the mattresses and socks of frightened citizens and putting them into circulation.

As any banker would after this warning shock therapy, she has shown greater loyalty and willingness to work with government institutions. She has received from the Board of Governors what is referred to as "full authorization," and she has donated to Serbia DM1.5 million for refugees, DM72 million for the Belgrade-Pancevo limited-access highway, DM50 million for the Belgrade railroad junction, and she has also granted Belgrade a loan of DM10 million for a term of 10 years under the most favorable conditions. She became the sole sponsor of the Belgrade marathon and she has been given a promise that she would get the most famous hole in the ground in the Balkans—the one on Slavija Circle. It was, of course, natural that that should be followed by the statement that "Slobodanka Gruden has an understanding for enterprising businessmen and for the troubles of the citizens," when these two influential ladies recently appeared on TV. Is this evidence that the business strata and political strata are linking up again? In and of itself, this need not be a bad thing, insofar as they are motivated by the "troubles of the citizens and progress of the nation." But the sacred rule of banking everywhere in the world is that the money should be kept as far as possible from the politicians. Incidentally, Mrs. Dafina herself has several times made a public commitment that she would not support any political party, because "money has no political commitment, no ideological features, and our task is to concern ourselves with showing a return from money and leaving politics alone." It is likely that these words were not addressed to Mihajlo Kertes, who a few days ago became the security chief of the Dafiment Bank and whose party duties presumably ceased at the same time as his government employment. When Topcider is being placed under strict control, why not Dafiment as well?

It cannot be denied that the success of Dafina Milanovic is the fruit of her exceptional feel for the speedy game of banking (in what are highly favorable circumstances), her excellent knowledge of the money market, up-to-date information, and a forecasting ability that so far has been infallible. By contrast with state bankers, she has turned time and information into money. The question of HOW is irrelevant when the entire state is functioning outside the law. She jumped in when the banks had done everything to sever ties with the public after it had looted them. More than any government under Milosevic, Mrs. Milanovic has been calming social tensions, indirectly creating the illusion in people's minds that life under the

current policy is nevertheless bearable. That probably is not her primary objective, but it nevertheless fitted in quite well. The citizens are not going to vote in the referendum, but waiting in an orderly and patient line in front of the branch offices of Dafiment; they know exactly what they are going to get where. And Dafina made a public promise: "I will never betray those people. I have sworn that I will blow myself up along with the safes if anyone attempts to take the money away from me. My honor will remain intact."

But politicians are faster than any fuse when it comes to money. The Serbs have never been able to defend themselves from them. Will Dafina be successful?

'Immense' Israeli Bank Transaction Reported

93BA0071B Belgrade BORBA in Serbo-Croatian 3-4 Oct 92 p 8

[Article by R. Tajtelbaum, BORBA correspondent: "Yugoslavia's Foreign Exchange Reserves Have 'Disappeared'"]

[Text] Jerusalem—The reputable Israeli daily HAAREC yesterday published the sensational news of an immense financial transaction involving the National Bank of Yugoslavia, whereby at the beginning of this year an amount exceeding $1 billion was transferred to foreign branches of the largest Israeli bank—the National Bank of Israel.

This news comes from the pen of a HAAREC correspondent who was visiting Frankfurt. He has been reporting from that city that hundreds of millions of dollars of hard currency, representing the foreign exchange reserves of the former Yugoslavia, were transferred early this year from the National Bank of Yugoslavia to European branches of the National Bank of Israel.

This immense sum was supposedly withdrawn by Serbian "entities," and that transaction emptied all the reserves of hard currency of the former Yugoslavia, in the total amount of $4.5 billion, which is approximately equal to the total amount of foreign debt of the former Yugoslavia.

That transaction, the Israeli correspondent writes, made it possible for Serbia to appropriate all the hard-currency reserves of the former Yugoslavia, which theoretically belonged to all the republics. After the hard-currency reserves "evaporated," there was nothing left for the former Yugoslav republics to divide up except the foreign debt.

That newsman's fairly long article suggests that the source of this sensational news is Croatian. It turns out from the description of events that in late March of this year Professor Cicin-Sain, president of the National Bank of Croatia, met the director of the East European department of the Deutschebank in Frankfurt. The bulk of the former Yugoslavia's foreign exchange reserves was held in that German bank. In that meeting with the German banker, Mr. Cicin-Sain demanded an explanation of why this German bank allowed Serbia to conduct that financial transaction. The department head, Dr. Gunter Bleck, explained that the German bank was only supposed to carry out the instructions of the National Bank of Yugoslavia, which were drawn up in accordance with all legal regulations. Dr. Bleck explained to Cicin-Sain on that occasion that the money was transferred in accordance with Belgrade's official instructions to foreign branches of the National Bank of Israel.

In his conversation with the Israeli correspondent, Dr. Bleck confirmed that portions of Yugoslavia's hard-currency reserves were in that way transferred to branches of that Israeli bank. He said that at the beginning of this year, so various bankers had told him, a similar transaction was conducted from other European banks, although, according to this German banker, this transaction was not conducted directly from the German to the Israeli bank, but he is convinced that the final address of the transaction was the Israeli bank. According to him, the final transaction was conducted under directives from Belgrade in order to avoid the possibility of anyone in Yugoslavia "freezing" Yugoslavia's foreign exchange reserves.

According to the Israeli correspondent, European banks do not know exactly how much of the initial amount of $4.5 billion, which was at the disposition of the National Bank of Yugoslavia, remains in various branches of world banks, nor how much of that money has already been transferred. The Croatian source, in a conversation with the Israeli correspondent, estimated that about $1.2 billion had been transferred to branches of the National Bank of Israel. According to those sources, Serbia has been covering its war expenditures with that money.

Your correspondent in Jerusalem passes on the vigorous official denials of the spokesman of the National Bank of Israel, according to whom this entire sensationalist report is untrue, and he says that no money has been transferred to the branches of this bank by any republic that belonged to the former Yugoslavia. In any case, the National Bank of Israel is Israel's largest commercial bank. In spite of its name, this is not the central bank of the state of Israel. Formally, it is a private bank whose principal owners are various civil and public institutions of the Zionist movement.

Panic Visits European Parliament in Brussels

WA0611135092

For reportage on the visit by Prime Minister Panic to the European Parliament in Brussels, including his address to the Parliament's Committee for Foreign Affairs and Security, see the International Affairs section of the 6 November West Europe DAILY REPORT.

Montenegro

Republic Leaders Comment on New Constitution

93BA0113A Belgrade VREME in Serbo-Croatian 19 Oct 92 p 14

[Article by Velizar Brajovic: "Montenegro: Taking Apart a Dangerous Connection"]

[Text] Into the international community with Panic and to Prevlaka with Cosic! This seems to be the new slogan of the Democratic Party of Socialists [DPS] in the campaign which might be coming up for an early election, scheduled for 13 December. It thus seems that the Montenegrin Government will try once and for all to wrest itself free of the embrace of Serbian President Slobodan Milosevic's regime, with which it was victorious in the last elections. Nor is that all. It will try to shake off responsibility for everything that has happened. They are already doing this in fact to such an extent that Zarko Rakcevic, M.A., a deputy of the Social Democratic Party, remarked in the last session of the Montenegrin parliament: "The incumbent party behaves as though we were for the war option a year ago, and they were for peace."

Montenegro now has a new Constitution, which in the words of Zoran Zizic, M.A., Montenegrin deputy prime minister and one of those who drafted it, "signifies creation of a democratic, well-organized, efficient, and law-governed state, creation of a body of law which will not embarrass those who create it, nor those who enforce it...."

Montenegro, in the words of Mr. Zizic, now has a civil and democratic constitution which "marks a break with practice up to now." The deputies in the Montenegrin bloc in parliament are in agreement with that position, but Slavko Perovic says: "The Constitution is a document which simply erases Montenegro." Deputies belonging to the Democratic Coalition (Albanians and Muslims) say that that Constitution has signed their "death sentence." Meanwhile, the Constitution has been adopted, although more than 100 or so amendments have been submitted and, it seems, too easily eliminated, especially those that were supposed to correct the articles about Montenegro's sovereignty, foreign policy, economy, and defense. This was done in spite of lamentations even on the part of some DPS deputies, while the parties in the Montenegrin bloc are convinced that that Constitution has no future and will be amended faster than its drafters believe. Especially because the provision on self-determination of nationalities has been dropped from it, which violates international standards.

The satirist Mihailo "Shock" Radoicic made this comment about the Constitution: "All Serbian lands, known and unknown, recognized and unrecognized, in this country have their own armies, but only Serbian Montenegro does not have its own army." The Constitution only confirmed the already abolished right of Montenegro to territorial defense, Montenegro may not proclaim a state of emergency on its territory, but under the Constitution this can be declared only in Belgrade, and the limits in the conduct of foreign policy and in decisionmaking on the economy and development make it, in the judgment of the opposition, a quasi-state, so that in Yugoslavia's disintegration only the Montenegrins have been left without their own sovereign native state. In answer to objections that the Serbian Constitution contains all those provisions to which the opposition is referring, the president of the Montenegrin Assembly glibly replied that the Serbian Constitution has not been brought into conformity with the Constitution of the FRY [Federal Republic of Yugoslavia], and everyone knows which constitution is older.

In better-informed circles, all of this is being commented on differently. The Montenegrin Government is said to be attempting in every way to preserve the federal state just created, but that effort will last only until there is a final split between the two governments, so that it does not take upon itself responsibility for the conclusive destruction of the idea of a joint state with Serbia.

According to what our sources say, all attempts of reconciliation with the SPS [Socialist Party of Serbia] behind closed doors have failed, and the Montenegrin Government now sees reliance on Federal Prime Minister Milan Panic and Federal President Dobrica Cosic as the straw that will save it, persuaded that in this way it will avoid being brought down when the Belgrade regime falls.

Illegal Arms, Ammunition Seized From Muslims

LD0511152792 Belgrade TANJUG Domestic Service in Serbo-Croatian 1226 GMT 5 Nov 92

[Text] Pljevlja, 5 Nov (TANJUG)—A larger quantity of weapons and ammunition found to be in the illegal possession of citizens was seized in a joint action of the Pljevlja Security Center, the Montenegrin Internal Affiars Ministry, the Federal Internal Affairs Ministry, and members of the Yugoslav Army in the area of the Pljevlja municipality.

According to a statement issued today by the Pljevlja security center, a larger quantity of weapons and ammunition was seized on the territory of the local community of Bukovica, and the villages of Madzari and Vuksici. The following was seized: four Kalashnikovs, an automatic Scorpion pistol, an automatic rifle made in Yugoslavia, a M-48 gun, three hunting guns, four pistols, one revolver, six hand grenades, three pull-action mines, and 852 pieces of ammunition of different calibers. The weapons and ammunition were obtained from citizens from the municipality of Gorazde in exchange for food products, cigarettes, and other goods.

Because of the well-founded suspicion that they committed a criminal act of the illegal possession of weapons

and explosive devices, according to Article 217, Paragraph 2 of the criminal law of the Republic of Montenegro, criminal charges have been brought against Seif Osmanagic, Rasim Drkenda, Hamed Vukas, Himza Tahirovic, Idriz Turgut, and Osman Turgut; they were handed over to the investigative judge of the Magistrates Court in Pljevlja who decided to keep them in detention.

By this action, in which citizens of Muslim nationality have been disarmed, unfounded statements by some parties and citizens that only Serbs and Montenegrins are disarmed in the Pljevlja area have been refuted.

Kosovo

RILINDJA Staff Protests Publishing Law

AU0511210092 Tirana ATA in English 0929 GMT 5 Nov 92

[Text] Tirana, November 5 (ATA)—Behlul Jashari writes from Pristina:

The reporters and the whole staff of RILINDJA of Pristina were indignant at the report on the adoption of the Law for the Panorama Public Enterprise in the meeting of the Assembly of Serbia November 4 in Belgrade. With this discriminating law for the Albanians, the independent newspaper RILINDJA is deprived of its property under the guise of integration into Jedinstvon Information House in the Serbian language and Tan Information House in the Turkish language. This law is intended to completely enslave even the Albanian information in Kosovo. According to the law, in the context of Panorama, some news-sheet in Albanian may be published, perhaps under the name of RILINDJA, which Serbia has suspended for over two years. It will carry articles translated from the Serbian papers under the Serbian control. They contribute to the totalitarian and militarist policy of the police power and the Socialist Party of Serbia. Neither the reporters and the staff of RILINDJA nor the Albanian readers will accept as theirs this kind of paper. Therefore, they are going to continue their efforts for the independence and freedom of the Albanians press and information in Kosovo.

Pristina Corps Commander on Kosovo Issue

93BA0132B Belgrade VOJSKA in Serbo-Croatian 22 Oct 92 pp 14-15

[Article including interview with General Major Miloslav Radmanovic, Pristina Corps commander, by Miladin Petrovic; date and place not given: "Peace Is the Only Solution for Kosovo"]

[Text]*"It is a great misfortune and someone's fault that war came to the western republics, because all borders changes must ultimately be resolved peacefully anyway. With regard to the territory of Kosovo and Metohija, however, any division and border change is out of the question. Any attempt to forcibly take territory would be energetically and quickly thwarted."*

According to many assessments, the recent murder of a soldier at the Djakovica garrison and shortly thereafter the attacks on police patrols from the MUP [Ministry of Internal Affairs] of the Republic of Serbia and on a military vehicle, where a lieutenant colonel in the Armed Forces of Yugoslavia was wounded, are not random incidents, but rather planned terrorist acts by Albanian extremists trying to bring unrest and fear to Kosovo and Metohija. As expected, the terrorists are now trying to sow this unrest and fear among members of the Police and Armed Forces, and in this way, as has already been seen, to provoke them to intervene against and repress the "peaceful citizens."

Constant Danger That Conflict Will Break Out

All of this is being observed by members of the Pristina Corps, which has lived for more than a decade under so-called heightened measures and in uncertainty. That is why we began our interview with the commander of the Pristina Corps, Gen. Maj. Miloslav Radmanovic, with a question that has unfortunately been topical since way back in 1981:

[Petrovic] Mr. General, can you begin our talk about the situation in Pristina Corps by filling us in on the security situation in the zone of responsibility of the units that you command? How does this situation affect the combat readiness, life, and work of members of the Corps?

[Radmanovic] The security situation in Kosovo and Metohija could be characterized by saying that the Albanian alternative continuously ignores all measures and actions taken by the leadership of the Republic of Serbia. Right now this manifests itself in a boycott of school instruction and in so-called peaceful demonstrations on the streets of Kosovo and Metohija cities. The essence and ultimate goal of such behavior by the separatists is to animate world public opinion, European and international institutions, concerning alleged violations of human rights and liberties in Kosovo and Metohija, and thus to encourage a further strengthening of economic and political pressure on Serbia and the FR [Federal Republic of] Yugoslavia.

According to our information, the leadership of the Albanian alternative is united in its view that Kosovo must be independent of the Republic of Serbia, but among individual party leaders there are differences in the way in which that goal is to be achieved. Unlike the hardline faction of the Republican Party, which is supported by the German factor and which espouses the war option, the more moderate faction led by Rugova is calling for patience and expecting promised assistance from the United States and Albania. It is completely clear that the greater share of the Albanian minority does not want war and believes that military conflict would result in a greater tragedy than in Bosnia-Hercegovina. At the same time, however, it is feared that mercenary groups will be brought in who could provoke a military

conflagration, while according to our information Albanians have begun organizing in some opstinas of Kosovo and Metohija. They are armed primarily with light infantry weapons, supposedly for self-defense, which increases the danger that conflict will break out. Especially if one knows that betting on special status elicits confusion among the part of the Albanian minority that sees in this the starting point for achieving independence, but also among Serbs and Montenegrins, who according to this variant announce collective emigration and an armed uprising.

The further development of the security situation in Kosovo and Metohija will be conditioned by the activities of the Albanian alternative and of international factors. Everything depends on whether they will choose, as they have been proclaiming lately, the peace option or whether they will nevertheless opt for mass rallies, which could lead to incidents and clashes. Thus, we consider the overall security situation in Kosovo and Metohija explosive and uncertain. Ethnic divisions are at a maximum and are intensifying further without significant prospects of this situation being overcome.

This situation affects our life and work in a big way. In our everyday work, however, we are taking steps to maintain and strengthen the Corps' combat readiness so that we can fully carry out our duties, which means most of all defending the territorial integrity of our country in this part of our domain.

Divisions and Border Changes in Kosovo Out of the Question

[Petrovic] Among the public, the question often arises of whether the mistakes made by the leadership and command structures in Slovenia, Croatia, and Bosnia-Hercegovina could be repeated in Kosovo and Metohija.

[Radmanovic] Given everything that happened to the former JNA [Yugoslav People's Army] in the territories of the western republics, this question is reasonable, but there is no way that such a scenario could be repeated in this region. First, the Slovenes and Croats are nation-building peoples who had their own states in the form of republics, and that means that they had their own armed forces in the form of territorial defense forces. At the point when they decided to secede from Yugoslavia, they declared the JNA to be an occupying army and pitted their own armed forces against it, meaning the territorial defense forces. And what happened, happened. According to many plans and wishes, this was supposed to be the first region to experience war, but as time passes, there are now fewer prospects of armed rebellion by certain nationalist paramilitary formations. If that does happen, then they have absolutely no chance of success. We have our armed forces and our police in this region. In addition, no one can declare us to be an occupying army in this region. It is a great misfortune and someone's fault that war came to the western republics, because all border changes must ultimately be resolved peacefully anyway. With regard to the territory of Kosovo and Metohija, however, any division and border change is out of the question. Any attempt to forcibly take territory would be energetically and quickly thwarted.

Response of Recruits in Corps Is Very Good

[Petrovic] Recently the Pristina Corps was having certain problems with filling up units. Has there been a change for the better in this regard and how is the current combat readiness of your units?

[Radmanovic] The Pristina Corps is filled with officers at nearly 10 percent. As far as enlisted men are concerned, occupancy is very good, while in some units where we do not have enough recruits, we have called up some specialists from reserve units. But regardless of this good occupancy rate, we feel that the Corps should be filled with the best officers, bearing in mind its place and role within the framework of the Armed Forces of Yugoslavia and bearing in mind the duties that they are carrying out today in peacetime. On occasion we encounter a lack of understanding by individual commands, which send us officers without considering their qualities.

I can also say that the Corps is well-equipped with military technology, that our units have the most modern equipment, and this, together with a good personnel occupancy rate, guarantees good training and certain performance of our duties.

[Petrovic] In connection with that, how was the response to the latest call-up of Armed Forces recruits in Kosovo and Metohija?

[Radmanovic] The response by recruits in units of Corps in September was very good, and came to around 83 percent, which is much better in relation to the previous period. However, in order for us to ensure a full response by recruits, it is necessary most of all to regulate this problem: to adopt a Law on Military Service and a Law on the Armed Forces of Yugoslavia, so that all citizens of the FR Yugoslavia, regardless of their ethnic and religious affiliation, face the same obligations with regard to defending the country. The same sanctions must be applied to everyone who violates the Law on Military Service. This is the only way that we will obligate and thus force even Albanians, as well as other ethnic minorities, to respond to call-ups into the Armed Forces of Yugoslavia. On the other hand, all of this involving the response of recruits and conscripts cannot be achieved without elevating the role of the Armed Forces of Yugoslavia and developing patriotism.

Offensive Combat Training While Strengthening Order and Discipline

[Petrovic] We are constantly talking about the new, so-called offensive approach to combat training. Is this new approach being felt in your units as well?

[Radmanovic] It is known that the training and qualification of officers and soldiers is of critical importance to the successful conduct of armed combat. Our experience in Slovenia, Croatia, and Bosnia-Hercegovina shows that we must change our approach to combat training, especially officer training. Thus, we must train people so that they are able to foresee a situation, make decisions independently, take initiative, and be decisive, courageous, persistent, and true leaders of their soldiers and units.

This new approach is being felt in the units of the Corps, but not enough yet. As far as soldier training is concerned, there are three essential principles. First, complete soldier training in handling military equipment; second, that they apply in combat those actions and operations that ensure their protection; and third, that they know what they are fighting for. Besides good training, a vital condition for success in armed combat is order and discipline. There are officers who do not understand what order and discipline mean, and our experience from the last war shows us that without that there can be no success.

[Petrovic] What should be changed in the system of combat training and schooling right now, during the transformation of the Armed Forces, and how do you, as Corps commander, regard the professionalization of the Armed Forces?

[Radmanovic] This transformation should not be perceived simply as a numerical reduction in the Armed Forces of Yugoslavia and as organizational and formal changes. Attention should be turned most of all to changing the approach of officers to the performance of all their obligations and duties under new conditions. Accordingly, in the combat training and schooling system the training of soldiers and officers should be more practical and more connected to technical equipment, because without that there will be no real quality of training and thus no success in armed combat either. Furthermore, officers should exemplify a high level of patriotism and morality and a high level of expertise. Without that, an officer is not a complete figure.

Changes in the Armed Forces depend on changes in the state itself. They should come much faster, but because of the objective societal conditions that is impossible. Under the current conditions, the professionalization of the Armed Forces of Yugoslavia, even though it is well thought-out, depends most of all on our economic possibilities.

New Elements and Assumptions for Building Combat Morale

[Petrovic] Thus, there is no money, while housing problems in Kosovo garrisons are exceptionally great. Your units were recently joined by a number of officers from former Yugoslav republics without any personal belongings whatsoever. How and to what extent do you plan to help those people?

[Radmanovic] The housing problem in our garrison is extremely serious. It is most serious in Vucitrn, where there is no military housing whatsoever, and after that in Urosevac and Prizren, where two-thirds of the officers lack housing. There is no indication that the housing issue will be resolved soon. The situation at other garrisons is similar, although a little better. It is hard to find private housing in Kosovo and Metohija, and it is very expensive, from 100 to 200 marks. Accordingly, a large number of officers are living in barracks and offices. In a particularly difficult situation are those who came from former Yugoslav republics who lost practically everything that they had and that they had been accumulating for years.

We are trying to help them by moving some officers into a bachelor hotel in Pristina, and some have received official housing, but there is not enough to go around. We are still trying to get a number of housing units from republican agencies that are earmarked for returnees to Kosovo and Metohija. We hope that we will meet with understanding and that in this way we will partially alleviate this serious housing situation.

[Petrovic] What is the effect of these problems on combat morale, and on what elements and assumptions are you now building and strengthening it?

[Radmanovic] It is certain that all these problems affect combat morale. However, we must build it on new elements and new assumptions. The Armed Forces should be, and are, of new quality. We now have a new state, a new government. We have been freed from many weaknesses; most of all, plenty of traitors have left, regardless of their nationality. Those who have remained are citizens of the FR Yugoslavia who are devoted to their homeland and their armed forces. We must develop morale on the basis of the patriotism of our citizens toward the homeland and toward the armed forces, and well as on the basis of the traditions of our peoples.

[Petrovic] Still, to get back to the housing problem. There are practically no garrisons in which officers do not complain about the work of the housing authorities and commissions. How is the situation in Kosovo garrisons in this regard?

[Radmanovic] Bearing in mind that this issue is very sensitive, we in the Corps Command are devoting special attention to housing authorities and have some insight into their work. However, I would emphasize that an important role in solving these problems must be played by the housing commissions. The housing authorities should be prevented from rigging decisions on whether someone gets housing, as some of our officers are saying. They do only the technical part of the job, while all decisions are made by the housing commission. As commander, I have a right to certain housing, but they must follow the spirit of regulations concerning the distribution of housing. This means that we have made certain mistakes, but we are doing everything we can to eliminate or minimize them.

Cooperation With the People in Guarding Borders

[Petrovic] Mr. General, can you tell us something about the relationship between the Armed Forces and the people, and especially about the attitude of the Albanian ethnic minority toward the Armed Forces of Yugoslavia?

[Radmanovic] A large number of citizens in this region appreciate the Armed Forces of Yugoslavia. As far as cooperation with citizens of Albanian nationality is concerned, we are trying to make this cooperation a reality, which they are reluctant to accept, but we cannot say that there is nothing there. We are cooperating most of all with labor organizations and to a certain extent with citizens along the border. They come meet with us, and a large number of them are helping our soldiers to catch and uncover people who have crossed the border illegally.

Speaking of the border, I want to say that we are very successful in guarding it. The best indication of this are the data on the number of people who crossed illegally whom we have caught.

We have especially good levels of cooperation with military-territorial authorities and the staff of special units of the MUP of Serbia. Especially regarding the security situation, but also in terms of measures to be undertaken. We believe that the Corps' units, the MUP, and the military-territorial units are the basic standard-bearers for defending the integrity of the FR Yugoslavia in this region.

Most of all, we are working on making everyone understand that we are their army, not an occupying army.